

THE RAILWAY GAZETTE
A Journal of Management, Engineering and Operation
INCORPORATING
Railway Engineer • TRANSPORT • The Railway News
The Railway Times • Herapaths Railway Journal • RAILWAY RECORD.
RAILWAYS • ILLUSTRATED • ESTABLISHED 1835 • RAILWAY OFFICIAL GAZETTE

PUBLISHED EVERY FRIDAY

AT

33, TOTHILL STREET, WESTMINSTER, LONDON, S.W.1

Telegraphic Address: "TRAZETTE PARL., LONDON"

Telephone No.: WHITEHALL 9233 (8 lines)

Annual subscription payable in advance and postage free:

British Isles and Abroad.....£2 5s. 0d.

Single Copies.....One Shilling

Registered at the General Post Office, London as a Newspaper

VOL. 78 No. 11

FRIDAY, MARCH 12, 1943

CONTENTS

	PAGE
Editorials	257
Letters to the Editor	262
The Scrap Heap	263
Overseas Railway Affairs	264
L.M.S.R. System of Sub-Depots for Goods Traffic	265
The Pan-American Highway	267
New Tank Locomotives for India	269
Railway News Section	271
Personal	271
Transport Services and the War	273
Stock Market and Table	292

GOODS FOR EXPORT

The fact that goods made of raw materials in short supply owing to war conditions are advertised in this paper should not be taken as indicating that they are available for export

NOTICE TO SUBSCRIBERS

Consequent on paper rationing, new subscribers cannot be accepted until further notice. Any applications will be put on a waiting list which will be dealt with in rotation in replacement of subscribers who do not renew their subscriptions

POSTING "THE RAILWAY GAZETTE" OVERSEAS

We would remind our readers that there are many overseas countries to which it is not permissible for private individuals to send printed journals and newspapers. THE RAILWAY GAZETTE possesses the necessary permit and facilities for such dispatch.

We would emphasise that copies addressed to places in Great Britain should not be re-directed to places overseas

REDUCTION IN SIZE OF PAGE

To economise in paper our readers will observe a slight reduction in the size of THE RAILWAY GAZETTE in that the size of the page has been reduced from 9 in. x 12 in. to 8½ in. x 11½ in. The type area of the page remains the same, namely, 7 in. x 10 in., but the surrounding margins have been reduced. This of course detracts from the appearance of the paper, but is one of the exigencies of the war

TO CALLERS AND TELEPHONERS

Until further notice our office hours are:

Mondays to Fridays 9.30 a.m. till 5 p.m.

The office is closed on Saturdays

ANSWERS TO ENQUIRIES

By reason of staff shortage due to enlistment, we regret that it is no longer possible for us to answer enquiries involving research, or to supply dates when articles appeared in back numbers, either by telephone or by letter

ERRORS, PAPER, AND PRINTING

Owing to shortage of staff and altered printing arrangements due to the war, and less time available for proof reading, we ask our readers' indulgence for typographical and other errors they may observe from time to time, also for poorer paper and printing compared with pre-war standards

Sir Thomas Royden on Government and Railways

SIR THOMAS ROYDEN'S speech to the stockholders of the London Midland & Scottish Railway Company provided a fitting opening to the addresses which the chairmen of the four home railway companies make at this season. Of particular value at this time were his trenchant comments on the treatment which the railways have received from successive Governments. Sir Thomas Royden gave some examples of the hostile bias towards railways which has characterised the attitude of Parliament for a great many years now. Despite the treatment they have received, the railways have not hesitated to put the national interest before that of the proprietors of the lines, and to that end they have pursued a policy which has resulted in a great improvement of the physical condition of the property, at the expense of the shareholders. It is for that reason that the railways have been able so well to deal with the great demands which have been made on them as a result of wartime operations. Moreover, notwithstanding the self-sacrifice which has been displayed by railway stockholders in the past, when, on the outbreak of war, the Government took over the railways, it was the community and not the stockholders who reaped the benefit of a system which has proved capable of coping with all the demands which have been made on it. Indeed, as Sir Thomas Royden pointed out, as a final travesty of justice, the self-denial of stockholders in the matter of dividends has been quoted against them as an argument for reducing the price paid by the Government for the use of the railways. It has now been proved beyond dispute that the railways are essential in the British transport system, and it would be a national misfortune, if in the future they were subject to the handicaps under which they have laboured in the past. Sir Thomas Royden's speech is reported in full elsewhere in this issue and his remarks on the Government treatment of the railways are the subject of an editorial article on page 259.

Sir Ronald Matthews on Railway Efficiency

Sir Ronald Matthews at the L.N.E.R. ordinary general meeting on March 5 referred with appreciation to the ingenuity and endurance shown by all grades on the railways in helping to forward the huge volume of supplies which had made the recent achievements of the Allied forces possible. He also made the interesting point that, so effective and well equipped was the railway machine handed over to the Government at the outbreak of war, it has needed an expenditure equal literally to the cost of only a few hours of war to provide the additional facilities necessary to handle this vast increase of traffic, flowing often in directions never previously contemplated. Remarks by shareholders were mainly confined to criticism of the present agreement with the Government. The Chairman was able to show that in his last year's speech he had described the agreement as "fair but not generous," and that within the framework imposed by the Government the railway companies had in effect no option but to accept it. He also put right a misconception as to the power of the directors to fix the remuneration of the Secretary without reference to the shareholders and quoted section 35 of the North Eastern, Eastern, & Scottish Group Amalgamation Scheme, 1922, in support of his contention. Referring to post-war problems, he maintained that if we were to retain and improve our standard of life, we must trade freely and on a greater scale than ever before with the whole world, and that meant that we must be able to offer our products in the right quality and at attractive prices. Low wages would provide no solution to the problem. It was volume and efficiency of production that were required. Only a prosperous home market could provide the first, and only the fullest encouragement of individual enterprise and initiative the second. A full report of the meeting is given on pages 280-286.

Producer-Gas Buses in London

Although the London Passenger Transport Board has had a few producer-gas buses in operation for some months past—they were introduced at Grays in Essex shortly after the demonstration we described in our issue of June 12, 1942, and latterly 20 such vehicles have been in service in that area—it is only during the past few days that producer-gas buses have been in service in Central London. On March 3, three vehicles went into service on Route 36 between Hither Green and West Kilburn with the object of testing a few buses in the Central London area under the best possible service conditions. Specially trained men are driving the vehicles, and special attention is being paid to the daily maintenance of the buses and their equipment. These three vehicles

include certain modifications which have been made by London Transport engineers as a result of experience with the equipment we described last year. The Government Emergency 18-in. producer is being used, but with the following modifications: an inter-connected air valve has been introduced to ensure a more constant correct gas mixture; the mixer valve has been re-designed so as to procure a self-contained unit to ensure more direct control; the flame trap has been re-designed to conform with L.C.C. conditions; and an additional cooler (increasing the former 2 to 3) has been installed to reduce the gas temperature and to eliminate loss of water in the filter. The filter is of the Morison type, as developed by the Tilling Group of Companies, which has replaced the sisal filter of the original G.E.P. producer.

◆◆◆

Railway Shareholdings in Air Lines

A further example of the recent strengthening by the British main-line railway companies of their shareholding interests in air line companies was provided last week by the official announcement that the Great Western Railway and the Southern Railway have purchased additional shareholdings in Channel Islands Airways Limited, the parent company controlling Jersey Airways Limited and Guernsey Airways Limited. The operations of these companies, of course, have been suspended since the occupation of the Channel Islands by the enemy. The interests of the railway companies in the Channel Islands shipping services date back to 1845, and the recent acquisition of additional shares in the airways organisation should ensure the maximum post-war co-ordination between air, sea, and rail travel. Channel Islands Airways Limited was incorporated on December 12, 1934, and its capital until recently was held in the following proportions: G.W.R. (25 per cent.), Southern Railway (25 per cent.), and the Whitehall Securities Corporation (50 per cent.). Both this company and its two operating subsidiaries were incorporated in the Channel Islands, but all have been re-registered recently in England in accordance with the Defence (Companies) Regulations, 1940. Ever since the enemy occupation of the Channel Islands, these companies have had temporary offices in the Chief Accountant's Office, G.W.R., Wasing Place, Midgham, Berks. The directorates of all three companies include Mr. K. W. C. Grand, Assistant General Manager, G.W.R., and Mr. John Elliot, Deputy General Manager, Southern Railway.

◆◆◆

Public-Utility Undertakings in Portugal

As recorded in our last week's issue, a Bill for the nationalisation of foreign-owned public-utility undertakings in Portugal is under consideration by the Portuguese House of Assembly. Briefly, the Bill seeks to give preference to Portuguese buyers when shares are transferred; to provide that shareholders wishing to participate in company meetings should do so only when their bonds have been deposited with the Portuguese office of the company, or with a Portuguese bank, eight days previously; to ensure that only Portuguese companies should acquire and instal public-utility undertakings; and to secure the transfer of head offices of foreign-owned companies of this type to Portugal. If the Bill becomes law, apparently the Portuguese Government will decide what concerns shall be held to be public-utility undertakings. In addition to the two companies mentioned in our last week's issue (the Anglo-Portuguese Telephone Co. Ltd., and the Lisbon Electric Tramways Limited), it is understood that the scope of the Bill may include the Madeira Electric Lighting Co. (1909) Ltd., of which the General Electric Co. Ltd. holds nearly 50 per cent. of the capital. It is not yet known what the effect of the passing of the measure might be on companies in the Portuguese African colonies, for example, the Benguela Railway, of which 90 per cent. of the share capital is owned by a British company, Tanganyika Concessions Limited.

◆◆◆

The Toronto—Montreal Train Service

Traffic on the through passenger train service between Toronto and Montreal has increased tremendously, and the line now handles an average of 5,000 passengers every day. The Continent Limited, of the Canadian National Railways, at present operates between the two cities to a scheduled running time of 6½ hr. The through service was inaugurated on October 27, 1856, and the eighty-sixth anniversary of that event was made the occasion last year of some officially-issued contrasts between then and now. It was stated that the first passenger train left Montreal at 7.30 a.m. and took 14 hr. to reach Toronto. At

that period, Standard Time, as we know it today, had not been introduced, and time was strictly a local affair. The first through train was operated on Montreal time, which was 8½ min. ahead of Brockville time, 12 min. ahead of Kingston time, 14½ min. ahead of Belleville time, and 23 min. ahead of Toronto time. In early years comparatively few persons travelled the whole distance. Travelling then did not offer anything approaching the comforts even of today's wartime facilities, as of course there were no sleeping or dining cars, and the rolling stock was comparatively light.

◆◆◆

Coal Utilisation

Wartime legislation has brought the lives and affairs of most persons in this country under Government control, and in some quarters it is felt that some co-ordination should remain after the war to ensure that raw materials are used to the best advantage. The suggestion has been made that the Government, instead of allowing crude coal to be burned by industries, should insist on its being treated for the recovery of valuable chemical fractions so as to leave only the coke residue, and possibly certain suitable oils, to be used as fuel. In an address recently at the Institution of Mechanical Engineers, Mr. W. Wakefield Adam, M.I.Mech.E., took this view and intimated that railways should be made to electrify their main lines so as to use power derived from generating stations; branch lines should be served by diesel railcars operated on oil from coal. The ideas outlined by Mr. Adam are by no means new to railway executives, who over a period of years have been introducing electric and diesel services where conditions made them desirable. Before the war, much progress was being made, without Government prompting, in developing new methods of railway transport both here and in America. As has been pointed out in our American contemporary, the *Railway Age*, of all services needed to meet the demands of the war, only those provided by the railways were ready at the outset and fully equal to the emergency. The suggestion so often made or implied that the railways are reactionary and behind the times is unwarranted; when freed from wartime control, they will show their past enterprise and make the best possible use of new developments immediately these have passed the requisite tests for economy and reliability under operating conditions.

◆◆◆

Record Non-Stop Runs

From time to time, when lengthy non-stop runs by steam locomotives have been under discussion, reference has been made to a United States claim, dating as far back as the 1870s, to have made the journey between New York and Pittsburgh without intermediate stop. If valid, this would indicate a world's record for steam, even to the present date. The December, 1942, issue of the American monthly *Trains* contains a detailed description of the journey of which this run formed a part, and there seems no question that it was actually achieved, from Harrisburg to Jersey City as a test run on May 31, 1876, and in the reverse direction (as the run proper) on June 1 of that year. The occasion was the working of a train containing a theatrical party, including the well-known actor Lawrence Barrett, in record time from New York to San Francisco, and the journey of 3,316 miles, by the routes then available—the Pennsylvania and one of its subsidiaries to Chicago, the Chicago & North Western on to Omaha, the Union Pacific from Omaha to Ogden, and the Central Pacific from there to San Francisco, was brought down to 84½ hr., or just half the time required by normally scheduled services. The load was two twelve-wheel cars and a van; the latter was used as a reserve coal and water supply. With the help of special lubrication methods on the 4-4-0 locomotive, the 428½ miles from Jersey City to Pittsburgh were covered non-stop in 10 hr. 5 min., at an average of 43.5 m.p.h.; speed was restrained in general to a maximum of 50 m.p.h. By comparison, the longest non-stop runs yet achieved with steam in any other country have been the L.M.S.R. experimental journeys of April 27, 1928, and November 16 and 17, 1936, between Euston and Glasgow, 401½ miles; the last-named was completed with an 8-coach train at an average of precisely 70 m.p.h. in 5½ hr.—an increase of 61 per cent. on the speed of the 1876 American achievement, and with an 8-car train.

◆◆◆

A Main-Route Track-Circuited in 1901

Few people in Great Britain, perhaps, realise the extent to which automatic signalling was being applied by some American lines at the beginning of this century. Recently the view was expressed by a traffic officer that automatic signalling had been rendered possible by the introduction of the colour-light signal.

The story of the attitude of Parliament to the request of the railways for powers, which most of them did not at that time possess, to extend their transport operations to the road is another instance of hostile bias. Road motor-transport at that time was a new thing, but the railways foresaw that it would become a fundamental part of the transport system of the country, and quite properly desired to take part in its development. As far back as 1921 the railways sought to have road powers in the general Act of that year, but these were refused. A year later a Bill was promoted in Parliament to obtain the necessary powers, but it was so mutilated by a number of amendments of a crippling character that it became

useless from a railway point of view, and was dropped. Not until 1928 could the powers be obtained. In order to help certain industries, a Bill was passed to give them relief from local rates. The railways were surely as much entitled to this form of relief as any other industry. Following, however, the precedent of unfair discrimination that it had itself set, the Government denied to the railways, and compelled them to pay over to certain designated industries, the relief that should have been theirs. Furthermore, they were hampered by a number of statutory obligations and limitations which were reasonable when the railways had a monopoly, but were entirely out of place in an era of unrestricted competition where all monopoly had ceased to exist.

As a result of all these and other injustices the railways naturally found their position very difficult. They had to choose whether they should make dividends their first consideration at the expense of efficiency, or *vice versa*. They chose the latter course and did in fact improve immensely the physical condition of their property, but at the expense of the stockholders. Just when they might reasonably have expected to see some reward for their conservative policy war broke out, the Government took over the railways, and it was the community and not the stockholders who reaped the benefit of a railway system that has proved capable of bearing all the enormous demands made on it. As a final travesty of justice, the self-denial of the stockholders in the matter of dividends was actually quoted against them as an argument for cutting down the price paid by the Government for the use of the railways.

There is a real danger to the country if the importance of the railways is not properly appreciated. Before the outbreak of war it certainly was not understood, and there was a fairly wide belief that railways were becoming, if indeed they had not already become, obsolete as the main means of transport, and that the interests of the country would be best served by an intensive development of the road as against the rail. The fact that the British railways carry the great bulk of essential traffic in this country is not sufficiently realised by the public. Before the war passenger journeys amounted annually to 20,000 million miles of travel, and the freight traffic to 17,000 million ton miles, apart from the livestock, and the huge quantity of parcels, milk, mails, and luggage carried by passenger trains. The magnitude of the part played by the railways as part of the normal life of the country in peace time is striking, but it is even more striking today. Last year the passenger traffic increased compared with pre-war figures by a further 10,000 million passenger miles, and the freight traffic by a further 7,000 million ton miles.

In any scientific organisation of transport it will be recognised that the road and rail should not be competitive, but complementary the one to the other and a frank recognition of this is a necessary preliminary to building up an economic and ideal system of transport. Since railways are an essential factor in such a system, it would be a national misfortune if they were subjected in the future to the handicaps under which they laboured in the past. It is vital in industry and to all of us in our daily lives that our railway system should be as perfect as it can be made. Any action that would affect injuriously its capacity for service would react most unhappily on the whole country.

Standard Rail Lengths

A QUESTION of considerable importance to the permanent way engineer is that of the standard length of rail for main-line use. It would be generally agreed that the ideal is the longest rail that can be used without either excessive difficulty in handling or high supplementary manufacturing charges. In earlier days 24 ft. and 30 ft. were the lengths in general use; then followed an increase to 36 ft. and 45 ft., or, on one or two Scottish railways which previously had used 32 ft. rails, to 48 ft. The general aim was to lay new rail with a minimum disturbance in the position of existing rail-joints; two 45 ft. lengths thus replaced three 30 ft. lengths. Meantime for some years the London & North Western Railway, having laid out its own rolling mill at Crewe suitably for the purpose, had been producing 60 ft. rails in large quantities, and eventually there came a general demand for this length by other railways. Production difficulties at many British mills were such that for some time an extra charge was imposed for the supply of 60 ft. rails, but in course of time the 60 ft. length became standard, and when, in the general march of progress, the steelworks to which the 60 ft. length had proved the most troublesome had rearranged their plants to cope with it, the demand for a differential price ceased. It is, of course, the movement of rails at the mills through controlled cooling ovens, from cooling banks to ending and drilling machines, and from there to inspection banks, often past fixed structures which limit the amount of room available, that is the chief obstacle to increased rail length, despite the fact that the normal rail ingot in its rolled-out condition produces at least three 60 ft.

lengths. To such an extent has steelworks practice influenced the manufacture of rails in the United States, both for these reasons and the limitations imposed by the universal use of 40 ft. wagons for rail transport, that North American rail length is still tied down to 39 ft. as standard—a fact of which British railways have been made uncomfortably aware since 140,000 tons of 39 ft. rails have been brought across the Atlantic for war use in this country.

In Great Britain, however, the trend is towards still longer rails. That a longer standard can be established is evident from European practice; in Germany, for all principal main lines, 30 m. (98 ft. 5 in.) is now the general standard, and extensive use has been made in France of 24 m. (78 ft. 9 in.) rails; the Continental mills concerned have now laid themselves out to deal with rails of these lengths. In this country, as is generally known, two British rail-mills have produced 120 ft. rails in the as-rolled condition, without welding, for the L.N.E.R. and L.M.S.R., and 90 ft. rails have been laid down on a fairly extensive scale by the L.N.E.R., but both these lengths have been, and still are, subject to supplementary charges. Considerable structural alterations would be required at a number of British works to make the handling of 90 ft. rails possible on a commercial scale, and it is doubtful if any other than the two steelworks concerned could have produced rails of so great a length as 120 ft. without even more extensive modifications of plant. On the railway side, when a suitable technique has been evolved, the handling of 90 ft. and even 120 ft. rails has given no particular trouble, and the extensive use already made of 90 ft. and 98 ft. 5 in. rails, as already mentioned, would appear to indicate that from the track maintenance point of view these lengths have advantages sufficient to justify their present cost. It is possible, of course, to dispense with rail-joints by the expedient of welding, but in the nature of things no welded joint can be the equal in resistance to impact of an unwelded rail; and, further, it seems idle to saw the original 180 or 190 ft. length of rail up into two or three pieces, planing the ends of these carefully as a preparatory to welding them into a single rail again. On the other hand, it is obvious that there must be some economic limit of length beyond which, for a variety of reasons, it is not worth while to go. For the present this would appear to be 90 ft., which permits the normal rolled-out ingot to be cut into two rails, can be laid in the track as a direct multiple of 45 ft., or in place of 60 ft. in the proportion of two rails to three, and can also be joined, if desired, to make 180 ft. lengths by one single welding operation.

Honours Divided

WE publish herewith a striking summary of the honours ranging from that of Privy Councillor to Member of the Order of the British Empire which have been awarded in the New Year and Birthday Honours list from January, 1941, to January, 1943, inclusive. We cannot, of course, guarantee the absolute accuracy of the various figures as it is not always possible to ensure that we have placed a man in the right category; however, generally speaking it may be taken as a reasonably accurate picture. The contrast between the honours bestowed on members of Government Departments and representatives of industry is so astonishing both as regards quality and quantity as to be almost past comprehension, even when allowance is made for the fact that a large number of business men are assisting Government Departments in a war-time capacity. Indeed we may be permitted to wonder what part industry and transport are actually playing in this country's war effort. For example, 25 members of the aircraft industry have received honours, nearly half of which were the M.B.E., and no less than 28 Air Ministry and 49 Ministry of Aircraft Production officials received awards, the majority of which were of much greater importance. A comparison between the honours bestowed on representatives of the coal, iron and steel, and electrical trades with those awarded to members of Government Departments under whose control they operate as a wartime measure is equally illuminating.

So far as transport is concerned, all belligerent nations now recognise that the maintenance of efficient transport is an absolute pre-requisite to victory. Sir James Grigg, Secretary of State for War, gave a very small indication of the task accomplished so smoothly by the British railways in the House of Commons on February 28 when he indicated that, in connection with the North African expedition, 185,000 men, 20,000 vehicles, and 220,000 tons of stores had to be moved to ports of embarkation within three weeks, a task which necessitated running 440 special troop trains, 680 special freight trains, and 15,000 railway wagons by ordinary goods services. This, it may be mentioned, represents only a fraction of the work which the railways are constantly carrying out. Many appreciative references were made to the work of the

railways during the last war yet, today, when their task is infinitely more onerous by reason of blackout conditions, air raid damage and other considerations, and the traffic which they are carrying is the greatest in their history, criticism rather than congratulation is most frequently their lot.

In these circumstances, it is, perhaps, not surprising that over a period of two years only 25 out of a total of 650,000 railwaymen

should have been honoured for meritorious services, as distinct from being given awards for gallantry. We suggest that the bestowal of such a small number of honours—80 per cent. of which, be it remarked, were of the lowest order of precedence shown on our summary—compared with the number and nature of those awarded to Government Departments generally, calls for scrutiny and close consideration.

EXTRACTS FROM LISTS OF NEW YEAR AND BIRTHDAY HONOURS AS PUBLISHED IN "THE LONDON GAZETTE" AND
"THE TIMES," JANUARY, 1941—JANUARY, 1943
GOVERNMENT DEPARTMENTS

	P.C.	C.H.	Bart.	K.B.	G.C.B.	K.C.B.	C.B.	G.C.M.G.	K.C.M.G.	C.M.G.	G.B.E.	K.B.E.	C.B.E.	O.B.E.	M.B.E.
Admiralty	1	1	1	2	—	1	5	—	—	—	—	1	2	7	14
Agriculture & Fisheries ...	—	—	—	1	—	—	—	—	—	—	—	1	—	7	3
Air Ministry	—	—	—	1	—	1	5	—	—	—	—	1	4	4	12
Aircraft Production	—	—	1	6	1	1	4	—	—	1	—	1	7	12	15
Colonial Office	—	—	—	1	—	—	—	—	4	3	—	—	—	1	3
H.M. Customs	—	—	—	—	—	1	—	—	—	—	—	1	3	4	9
Board of Education	—	—	—	5	—	—	—	—	—	1	—	1	4	3	5
Food	—	1	—	—	—	1	—	—	—	—	—	—	4	7	11
Foreign Office	1	—	—	—	—	1	—	—	—	4	—	—	1	3	6
Fuel & Power	—	—	—	1	—	—	—	—	—	—	—	—	—	1	1
Health	—	—	—	2	—	2	4	—	—	—	—	—	—	2	9
Home Office & Home Security	1	—	—	1	—	1	1	—	—	—	—	1	5	14	22
India Office	—	—	—	—	—	—	—	—	—	—	—	1	—	1	1
Inland Revenue	—	—	—	2	—	—	1	—	—	—	—	1	4	5	10
Information	—	—	—	1	—	—	1	1	—	2	—	—	1	7	4
Labour & National Service...	—	—	—	3	—	—	2	—	—	—	—	2	2	8	12
Mines	—	—	—	—	—	—	2	—	—	—	—	—	1	2	2
Overseas Trade	—	—	—	—	—	—	—	—	—	1	—	—	—	—	—
Pensions	1	—	—	—	—	—	1	—	—	—	—	1	1	4	7
Petroleum Board	—	—	—	1	—	—	—	—	—	—	—	—	—	3	2
Post Office	—	—	—	1	—	—	1	—	—	1	1	—	4	10	24
Supply	—	—	—	10	—	1	4	—	—	2	2	2	10	7	14
Board of Trade	—	—	1	1	—	1	2	—	—	2	—	1	2	4	4
Treasury	1	—	—	2	1	1	4	1	1	—	—	1	2	—	5
War Office	—	—	—	—	—	—	2	—	—	—	—	1	2	8	11
War Transport	—	1	2	4	—	—	3	—	2	2	—	1	2	14	19
Works & Buildings	—	—	—	—	—	—	1	—	—	—	—	1	2	4	6
Dominions Office	—	—	1	—	—	1	—	—	1	1	—	—	—	1	2
Economic Warfare	—	—	—	—	—	—	—	—	1	1	—	—	—	3	6
Other Civil Servants	—	—	—	2	1	—	9	—	—	—	—	—	5	13	28
	5	3	6	47	3	13	52	2	9	21	3	19	68	159	267

INDUSTRY

	P.C.	C.H.	Bart.	K.B.	G.C.B.	K.C.B.	C.B.	G.C.M.G.	K.C.M.G.	C.M.G.	G.B.E.	K.B.E.	C.B.E.	O.B.E.	M.B.E.
Road	—	—	—	1	—	—	—	—	—	—	—	—	2	3	3
Rail	—	—	—	1	—	—	—	—	—	—	—	—	2	2	20
Canal	—	—	—	—	—	—	—	—	—	—	—	—	2	—	1
Shipping	—	—	—	2	—	—	—	—	—	—	—	—	9	170	184
Docks	—	—	—	1	—	—	—	—	—	—	—	—	1	3	12
Air	—	—	—	3	—	—	—	—	—	—	—	—	5	12	16
Shipbuilding & repairing ...	—	—	—	5	—	—	—	—	—	—	—	—	6	6	13
Coal	—	—	—	—	—	—	—	—	—	—	—	—	—	1	—
Iron & steel	—	—	—	4	—	—	—	—	—	—	—	—	—	3	5
Electrical	—	—	—	—	—	—	—	—	—	—	—	—	2	2	7
Engineering	—	—	—	2	—	—	—	—	—	—	—	—	1	5	24
Contractors	—	—	—	1	—	—	—	—	—	—	—	—	2	1	1
Agriculture	—	—	—	1	—	—	—	—	—	—	—	—	9	6	3
Other industries	—	—	—	6	—	—	1	—	2	—	1	4	13	17	34
	—	—	—	27	—	—	1	—	2	—	1	4	54	233	323

Notes.—(1) Air includes manufacturing and operating companies and air-ferry service. (2) Health excludes M.O.H. (3) Home Office and Home Security excludes police, N.F.S. and other C.D. workers. (4) Industry includes trade unions; also awards for Civil Defence (e.g., railways). Honours for railway officers, etc., in respect of services to Government Departments are included in Government Department concerned. (5) No Honours Lists for civilians published in 1940

LETTERS TO THE EDITOR

(The Editor is not responsible for the opinions of correspondents)

War Advance Claim by Senior Railway Staff

March 1

TO THE EDITOR OF THE RAILWAY GAZETTE

SIR,—May I be permitted to add my very grateful thanks to you for the very able and unbiased manner in which you have set out the claim of the senior railway staff for consideration in recent issues of THE RAILWAY GAZETTE.

In view of the very excellent case already set out by you, it calls for no further comment on my part, but I do enclose for your information, and publication if you consider this to be desirable, an extract taken from the *Yorkshire Evening Post* of February 27, of the bonus proposed for the Leeds Corporation staff, which I think goes to show how very unfairly our conditions compare with those of a local undertaking.

Yours faithfully,

ANOTHER DISTRICT OFFICER

[The cutting enclosed recorded that amended cost of living bonuses to operate from April 1 were to be recommended at the next City Council meeting, and continued: "Bonuses range from 20 per cent. (with a minimum bonus of £15) where the salary does not exceed £185, to £50 a year on salaries exceeding £800 up to £950 a year. There will be an adjustment of salaries between £950 and £1,000 so that salary plus bonus shall not exceed £1,000. Other bonus rates are £36 a year on salaries exceeding £180 up to £500; £30 a year on salaries exceeding £500 up to £600; £40 a year on salaries exceeding £600 up to £800. Bonuses for institutional officers also provide that remuneration, including money value of emoluments and bonus, shall not exceed £1,000 a year."—ED. R.G.]

M.R. and other Train Services in West London

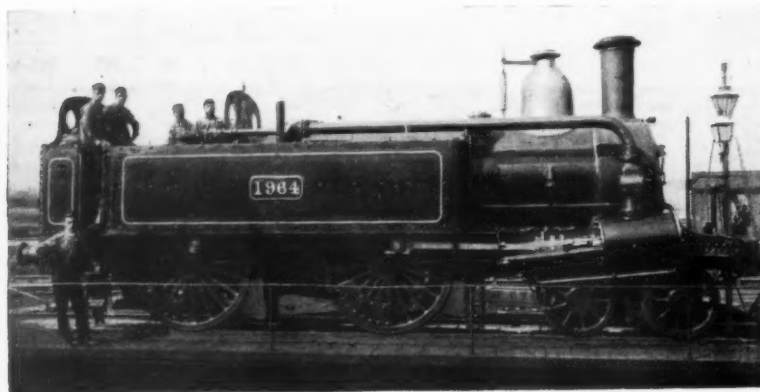
13, Grassmere Avenue,

Acton, W.3

Feb. 18

TO THE EDITOR OF THE RAILWAY GAZETTE

SIR,—Your correspondence columns have provided a most interesting record of the M.R. services in West London. It would be difficult for anyone of middle age, even, to imagine the pleasant localities through which these trains ran at such points as Dudden Hill and Dollis Hill—practically unspoiled countryside. I think Canon Fellows is correct in giving 1902 as the year in which the services ceased. In that year I removed



to the locality of Harrow Road Station, and found that it was to be closed almost immediately.

One memory is evoked by the reference to the L.N.W.R. Mansion House service, used by Midland passengers to that point after changing at Earls Court—I wonder how many people have a clear recollection at this date of the specially built L.N.W.R. engines used for the tunnel service on the District Line; they were similar in design to the engines of the latter company, being 4-4-0 tanks, and, while painted in the usual black, and incorporating certain L.N.W.R. pattern

fittings such as the Crewe standard chimney, buffer fittings, and slightly backward-sloping smoke-box door with horizontal handrail, they had features marking them as unusual in L.N.W.R. surroundings, e.g., bogies having a short wheel base, outside cylinders placed in a sloping position, brass domes close to the chimney, apparatus for mitigating the emission of fumes, and an uncovered footplate. They drew standardised trains of about nine coaches, four wheel, and varnished instead of exhibiting the usual chocolate and white of the L.N.W.R. I can remember the hollow reverberation produced by their tanks as they ran in and out of Willesden Junction high level station, where, I believe, they used to take in water. This was in the days when only the southernmost of the two high level stations then existing was used.

Some 40 years ago, on inquiry as to their fate, I was informed that they were rebuilt more to L.N.W.R. pattern as 4-4-2 tanks, and in or about the year 1904 I saw what was, apparently, one of these rebuilds in London Road Station, Manchester. In the next few years a fine set of L.N.W.R. picture postcards had been published, which included a photograph of one of these 4-4-2's.

Yours faithfully,

A. H. SPENCER

The Home Front in War

10-12, Cophall Avenue, E.C.2.

March 4

TO THE EDITOR OF THE RAILWAY GAZETTE

SIR,—On February 24, 1937, Sir William Beveridge concluded a series of three *Times* articles under the above heading. In this concluding article he wrote:—

"In discussion of the position of this country under aerial attack, destroying internal communications, the comment is often made that in one respect at least, such an attack would be less dangerous than in the last war. The experience of the General Strike has shown that the stopping of railways does not paralyse transport, because it is impossible to stop the roads or their free use by road vehicles. Great reliance is placed by many on the development of road vehicles to safeguard the country in time of war." * * *

"The railways, of course, use road vehicles also; they are keeping the motor makers busy in building 'mechanical horses' to distribute goods over short distances from railheads. But these 'mechanical horses' have not the power for long journeys. The breaking of a few railway bridges might put the main L.N.E.R. line out of action for days or weeks; the 'mechanical horses' would be no use as substitutes for sweeping goods rapidly from one end of the country to another. They could not take the place of full-powered long-distance lorries, which if one road were made impassable, could almost everywhere make an easy detour. Restriction of long-distance lorries with their command of roads, in the interest of railway lines with railhead distribution, may be good peacetime policy. It may none the less prove a source of weakness in war. The policy dates from before rearmament. It should now be subject to re-examination from the standpoint of home defence."

The late Lord Stamp two days after explained that: "Sir William Beveridge has the wrong end of the stick in this matter."

Among the reasons for this challenge given by Lord Stamp were the following:—

(1) "Anything that weakens the railways financially (and therefore physically) in time of peace, is a far greater risk in time of war than can be made good by a mere surplus of road vehicles."

(2) "Increased demand on man power made by road transport."

(3) "Only a railway can provide the capacity and average speed necessary to bear the brunt of the nation's essential traffic requirements, and recollect that in this count it relies on home-produced fuel and not imported fuel. It is clear to me that the framework of the country's transport must be formed by the railways, if economy and efficiency are the tests, and to me it is also clear that this is of even greater importance in times of war than in times of peace. A policy of sapping the railways in times of peace, whether by legislative or administrative action, will be to the nation's detriment in times of war."

Fortunately, in spite of Sir William Beveridge and many others who shared his views the railways during the "armistice" from 1918 to 1939 went ahead with their developments and improvements in such a way that they could not have been planned more wisely had they known in advance that war would be thrust upon us in 1939. This great national service was rendered during a period of depression and at great cost to the proprietors. The

nation has indeed to thank private enterprise for forging the weapon of efficient transport as an outstanding aid to victory.

Do those politicians of more than one party who have threatened political cleavage when total war demands unity imagine that Sir William Beveridge is infallible? His report on social security is a "human" document indeed, as human as his recommendation on transport. Sir William Beveridge himself would be the last to claim that it ought to be regarded as Divinely inspired.

Yours faithfully,

W. J. STEVENS

[Because Sir William lacked the prescience in 1937 to take into consideration the fact that the imported fuel position of Britain in a future war would be totally different from the position in 1914-19 by reason of the collapse of France, the entry of Japan into the war, the loss of the Far Eastern oilfields, and the unprecedented requirements of the Forces, we do not think it necessarily follows that the basis of his Social Security report is similarly incorrect. After all, the leading Cabinet Ministers with access to many sources of information denied to the general public were hopelessly incorrect as to Hitler's real intentions in the crisis years preceding 1939. Moreover, Sir William was not writing as an authority on railways in 1937, whereas his Social Security Report represents the result of intensive inquiry and study extending over many months.—ED., R.G.]

Railway Travelling Charts

Burgess Hill,

Sussex. March 6

TO THE EDITOR OF THE RAILWAY GAZETTE

SIR,—The London & Brighton travelling chart mentioned by Mr. Kenneth Brown in your issue of March 5 (p. 234) is one of several published by the *Railway Chronicle*. The full title of the charts is "Railway travelling charts, or road books for perusal on the journey." In the volume for January-June, 1846, of the *Railway Chronicle*, some of these charts were published in sections; that of the Brighton Railway complete. Others were: Great Western from Paddington to Iwer, and London and Birmingham from Euston to Wolverton.

Several years ago an interesting addition to the L.B.S.C.R. line-side signs, was provided by boards showing the points where the railway entered and left various parishes—probably to facilitate rating. The boundaries of several parishes were extremely sinuous; a couple of names on the boards alternated at short distances. One might see, say Clayton Keymer several times, with a third place probably interposed incidentally at one place between the pairs.

Yours faithfully,

G. A. SEKON

The Scrap Heap

Care is taken at all L.M.S.R. workshops to ensure that nothing is scrapped which can be used again either in its present form or converted. This has produced excellent results, many of which are illustrated in the L.M.S.R. Salvage Exhibition Coach which is touring the country. An example of scrap utilisation has been recently undertaken at the L.M.S.R. St. Rollox Works in Scotland. The leather outlet pipes or bags on water columns wear mostly where they came in contact with the engines, and when they are too far worn to be used satisfactorily for water columns, there remains a quantity of sound leather. From this, third class door light straps, guards' satchels, carters' sheet bags, automatic tablet pouches, hand exchange tablet punches, and combined tablet and key token hand exchange pouches, have been made. Smaller items such as locomotive dust shields and protector bands for automatic vacuum brake hosepipes also have been manufactured, and since the

scheme was introduced in July, 1942, over a ton of scrap leather has been converted into serviceable articles.

BOUQUETS AND BRICKS

"The nation recognises, I believe, fully and generously the extent of its obligations to the railways, but the public memory is short."
—L.N.E.R. Chairman.

"We thank you for your thanks," the chairman said,
"But though we don't suggest your praise is hollow,

It's not the gilt that makes the gingerbread,
And what's the point of flowers—with bricks to follow?"

E. C.

In future no one is to be permitted to carry flowers with him on a train journey if they are connected with trade or business. But "a railway company may, in its absolute discretion, permit a passenger to carry with him in his compartment, for purposes unconnected with trade or business, a small quantity of flowers or plants, unpacked or so

packed as to disclose their nature on sight."

There is a ring of insincerity about this saving clause. Absolute though the discretion of the railway companies may be, we do not quite see how they propose to make flowers reveal their nature on sight. As more than one poet has observed, flowers of certain types are almost pathologically coy. To reveal their nature on sight would be absolutely contrary to their nature. How the harassed porter is to distinguish between bona-fide passenger flowers and clandestine freight flowers is not made clear. We are prepared to bet that abandoned operators on the flower market will be riding—no doubt in clover—with their contraband garlands while innocent citizens, taking daffodils to their wives and sweethearts, are being roughly handled at the ticket barriers. Although floral experts like Mrs. Miniver's stationmaster may be found in the service of the iron road, to the average

railwayman a primrose by the river's brim a yellow primrose is—and always will be—to him.—From "The Scotsman."

The extension of the Metropolitan District Railway from Westminster to Blackfriars was opened rather unexpectedly for passenger traffic on Monday last. The intermediate stations are at Hungerford and the Temple and the journey takes about 4 minutes.—From "The Graphic" of June 4, 1870.

There's no imagining the limit of endurance of a "Jeep." One of these miniature U.S.A. Army vehicles, crossing a railroad track near Inglewood, Cal., was hit by a freight train and sent hurtling through the air. Four soldiers, who has leaped from the car just before the collision, righted it, got back in and drove away. The freight locomotive was reported to be slightly damaged.—From the "Baltimore & Ohio Magazine."

THE '0-5-0-0 "AUSTERITY" CLASS

Referring to our editorial articles, and the correspondence on "War Advance Claims by Senior Railway Staff," a correspondent writes thanking us for our valiant efforts on behalf of "the 0-5-0-0 'Austerity' class."

TAILPIECE

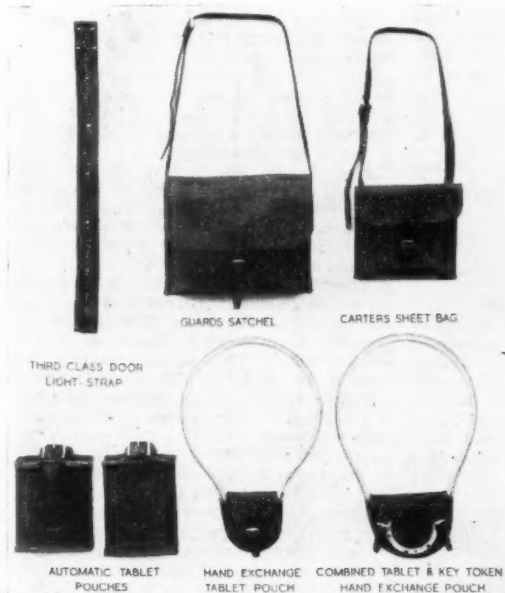
In the past two years only 25 out of 650,000 railwaymen have been honoured for meritorious services.

They call us noble fellows, the heroes of the line,
The railwaymen of Britain, and of course we like it fine
To hear them praise the things we do in dark and deadly hours—
But the O.B.E.'s and suchlike don't exactly fall in showers.

We are not politicians on whom all honours fall;
We are not City gentlemen—we're not like them at all.

We clear the lines of debris and keep them working still,
And a little bit of sugar, how it helps to gild the pill.

E. C.



Articles made from leather salvaged on L.M.S.R.

OVERSEAS RAILWAY AFFAIRS

(From our correspondents)

RHODESIA

Railway Tribunal

The railway tribunal (referred to in THE RAILWAY GAZETTE of November 6, 1942), which was set up after a recent conference in Salisbury between the Governments of the two Rhodesias, the Rhodesia Railways, and the Rhodesian Railway Workers' Union, has commenced sittings in Bulawayo under the Chairmanship of Mr. J. G. N. Strauss, barrister, of South Africa. The tribunal, which is to attempt to bring about an amicable settlement of the questions outstanding between the Rhodesian Railway Workers' Union and the Rhodesia Railways, consists of a chairman acceptable to all parties, two members appointed by the respective Governments, two representatives of the union, and two of the railway administration.

UNITED STATES

A Milwaukee Safety Staff

The Chicago, Milwaukee, St. Paul & Pacific Railroad has appointed eight district safety engineers, selected on the basis of their accident records as supervisors, their activities among employees, and the recommendations of their superiors. They will be in direct contact with all branches of railroading in their districts, which will be centred at Chicago, Milwaukee (2), Ottumwa (Iowa), St. Paul, Minneapolis, Miles City (Montana), and Tacoma (Washington), and will be held responsible for the training in safety measures of the employees in each district. Included in their duties will be the training of supervisors, and they will have a roving commission to check up safety performance on the line. The new scheme is the outcome of the recent investigation by the Interstate Commerce Commission into the staff-casualty figures returned by the various railways.

New Pennsylvania Steam Power

As a fruit of the experience gained with the streamline 6-4-4-6 locomotive No. 6100, Class "S1," built in 1939 to the joint designs of the Motive Power Department, Pennsylvania Railroad, and leading American locomotive builders, and exhibited at the Century of Progress Exhibition of that year in New York, the P.R.R. took delivery in April and May, 1942, from the Baldwin Locomotive Works of two somewhat similar locomotives of the 4-4-4-4 wheel arrangement, Nos. 6110 and 6111, Class "T1." The latter are not so long or so heavy as No. 6100, but they have the advantage that they may be operated over all Pennsylvania main lines. The aim of the designers has been to produce, first, a steam locomotive having service characteristics similar to those of the "GG-1" electric locomotives used east of Harrisburg, and, second, an engine capable of working unchanged over the 713 miles between Harrisburg and Chicago, with one fuel stop only, and capable of 100 m.p.h. on level track with a trailing load of 800 tons (of 2,240 lb.). The 4-4-4-4 wheel arrangement is not new, as it has been tried previously on the Baltimore & Ohio Railroad, but the P.R.R. engines embody many advances over their predecessors. As a result of successful experiments with a "K4S" Pacific, No. 5399 (described in detail in the October 10, 1941, issue of THE RAILWAY GAZETTE), both are equipped

with the Franklin O.C. poppet-valve system of steam distribution; roller bearings are fitted throughout, including crank pins and crosshead pins; and every possible measure has been taken to reduce the weight of the moving parts by the use of special alloy-steels.

Dimensions of New 4-4-4-4's

Each engine has four 19½ in. by 26 in. cylinders, with sixteen 5 in. intake valves, and sixteen 5 in. exhaust valves; 6 ft. 8 in. coupled wheels; 3,719 sq. ft. heating surface in tubes and flues, 499 sq. ft. in firebox, and 1,680 sq. ft. in superheater, a combined total of 5,898 sq. ft.; 92 sq. ft. firegrate area; working pressure 300 lb. per sq. in.; and a tractive effort of 65,000 lb., which in one of the two engines can be increased by booster assistance to 78,500 lb. The engine-weight is 222 tons (of 2,240 lb.) (227 tons with booster), of which 120 tons is available for adhesion. Each tender, carried on 16 wheels (two 8-wheel bogies) has accommodation for 36½ tons of coal and 19,500 gal. of water; the latter supply is replenished as required from track troughs. The weight of the tender, fully loaded, is 193 tons, bringing the weight of engine and tender up to 415 tons, or 420 tons with booster. These engines are now in service on the principal New York and Chicago services between Harrisburg, where they take over from the electric locomotives, and Chicago, and for the first time have made it possible for the Pennsylvania to run through from New York to Chicago with one change of locomotive only.

New Works

On November 18 last the final operational details of the recently-completed hump marshalling-yard at Galesburg, Illinois, on the main line of the Chicago, Burlington & Quincy Railroad, 162 miles west of Chicago, were brought into use. It is estimated that the new yard will save over 104,000 wagon-days a year. Of forthcoming projects, one affects the Westchester yard, New York, of the New York, New Haven & Hartford Railroad, which is to have additional tracks at an estimated cost of \$130,000; the goods shed at Providence also is to be extended, at a cost of \$65,000. A further stage in the Atlantic Avenue improvement, in Queens and Kings Counties, New York, is reached by the placing with contractors by the Long Island Railroad of a \$1,785,000 contract for the construction of permanent highway facilities.

ARGENTINA

December Fuel Shortage

As recorded in THE RAILWAY GAZETTE of January 29, an example of the gravity of the fuel situation for the Argentine railways was afforded last December, when the Buenos Ayres Great Southern and Buenos Ayres Western Railways were faced with the possibility of having to suspend some of their most important services for over a week, due to lack of oil fuel. The joint monthly petroleum quota assigned to these companies is 13,500 tons, of which 11,900 tons goes to the B.A.G.S.R., and 1,600 tons to the B.A.W.R.; the combined daily consumption of the two lines is 350 tons. The companies were informed by the Fuel Distribution Office that the supplies which they were due to receive on December 15 would not be forthcoming until December 23,

and an appeal addressed by the railways concerned to that office and to the National Oilfields Department, for an advance allowance of 2,600 tons merely evoked a reply regretting that there were no available stocks. The companies then had no alternative but to advise the National Railway Board that, unless they received the quantity of petroleum allotted to them under the fuel regulations, they would be compelled to suspend the running of their oil-fired trains on the suburban section as well as some of their main line services, including those to Mar del Plata and Bahia Blanca, from December 15 to 23 inclusive. The situation was saved, however, by the intervention of the Ministry of Marine, which placed 2,600 tons of oil fuel from the Navy's war reserves at the disposal of the railways mentioned, thus enabling them to tide over the emergency and maintain normal services, the suspension of which, particularly those to Mar del Plata and the other seaside resorts, on the eve of the Christmas holidays, would have caused serious loss and inconvenience.

Railway Pensions

The Pension Fund Board has issued a statement explaining that, although the recent amendments to the Pension Law (see THE RAILWAY GAZETTE of January 1, page 9, and February 12, page 160) call for a reduction in the benefits previously in force, in no case is a loss of pension involved. As the necessary adjustments involve considerable study and calculation, it has been resolved to make provisional reductions as from November 1, 1942. In the event of these subsequently being found to be too large, the excess will be refunded. On the other hand, where the provisional reductions prove to be too low, they will be raised to the limit fixed under the amended scale.

BOLIVIA

New Air Connection with Brazil

The expensive and difficult task of building an airfield at the border city of Guajara Mirim on the Mamore River in the north-eastern corner of Bolivia has been completed by the Lloyd Aereo Boliviano.

The Mamore River forms the boundary between Eastern Bolivia and Brazil. On the opposite side of the river from Guajara Mirim is the Brazilian town of the same name, which is the southern terminus of the 228-mile Madeira-Mamore Railway. This railway connects Guajara Mirim with Porto Velho on the Madeira River.

Since September 10 last, aircraft have stopped at the new Guajara Mirim airport on weekly passenger and mail flights between La Paz, the capital of Bolivia, and Riberalta and other towns in the Provinces of Bani and Pando.

The Panair Lines of Brazil now operate an air mail service from Belem (Para), near the mouth of the Amazon River, up the Amazon and Madeira Rivers as far as Porto Velho. This air line is expected soon to be extended 228 miles farther to Guajara Mirim. When the new extension is established, a trans-continental air service will be in operation from the Pacific to the Atlantic across the widest part of South America, over the Andes Mountains and down the Amazon River to Belem.

Because of construction difficulties at the site of the new airport, an unusually large financial investment was required. Part of the site was swampy, and most of it was covered with heavy jungle growth. Including the radio station and other buildings, the cost of this new airport is expected to exceed 1,000,000 bolivianos.

L.M.S.R. System of Sub-Depots for Goods Traffic

Extract from a paper read by Mr. A. L. Castleman, London District Goods Manager, L.M.S.R., before the Institute of Transport Metropolitan Graduate & Students' Society

FOR some time before the outbreak of the war, the growth of goods "small," and the insistent demands of traders for speedy transit and prompt delivery, placed an increasing strain on the main London goods depots. The handling of large numbers of small consignments of almost every conceivable size, weight, and shape, presents its own peculiar problems. It is one thing to deal with full loads direct into or out of wagons, and quite another to be faced with the sorting of vast quantities of packages for subsequent distribution to wagons for forwarding or to road vehicles for delivery.

London, in a trading sense, was at the same time pushing itself outwards from the centre, and establishing itself more on the perimeter. With the tendency of certain industries also to move southwards from the provinces, certain outskirts areas, say six miles or so from central London, were rapidly becoming factory and trading centres. A good deal of research was undertaken, which, amongst other things, determined the density of traffic in the various localities.

The L.M.S.R. came to the conclusion that some measure of de-centralisation was needed to deal more satisfactorily with this mass of small consignments. Accordingly, it was decided to institute sub-depots wherever a reasonably compact area could be found on the outskirts offering a tonnage of received miscellaneous traffic in the region of 40 or more tons a day, and of 60 or more tons a day of forwarded miscellaneous traffic. The role of these sub-depots was to be two-fold:—

- (1) To receive from the main London goods termini all the "small" for the immediate locality; sort into convenient "rounds," and deliver to consignees by means of cheaply-operated cartage units, such as the mechanical horse, based on the sub-depot.
- (2) To collect by these cartage units all the miscellaneous goods in the sub-depot area; sort and despatch to the main London goods termini for inclusion in the daily direct wagons made from those depots to the provinces.

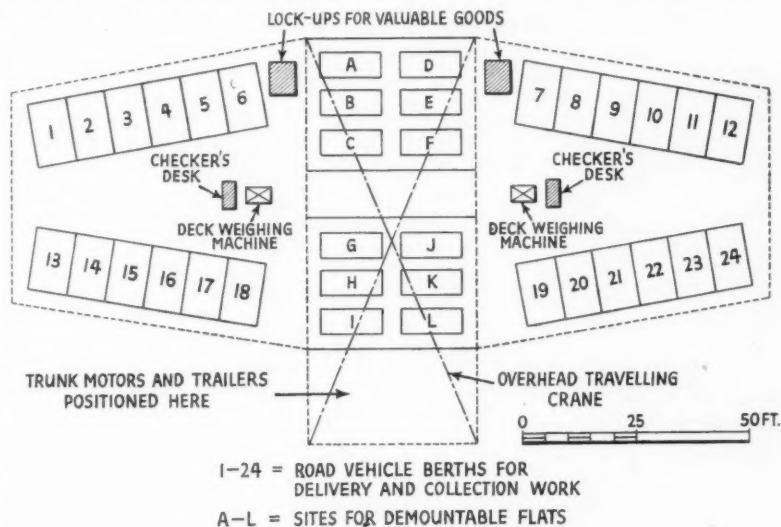
A shed or sorting bank of unique design was planned for each sub-depot, and this embodied an overhead travelling-electric crane. The "small," both received and forwarded, were to be conveyed in bulk

between the main London goods termini, and the sub-depot by motors and trailers with demountable tops, which would be lifted on and off by the overhead crane at the sub-depot. This would give a quick turn-round of the trunk motors and trailers, which would run to a time schedule and carry a load of 6 or 7 tons on each journey.

The advantages to be gained from the sub-depot system can be briefly summarised: (a) By continuing to use the main London goods termini as the initial receiving point and the ultimate forwarding point by rail of all the "small" traffic, the advantages of the best possible freight services would be retained. (b)

at the sub-depot would ensure the traffic flowing to the place where it could be most conveniently handled; for example, goods for Midland Division destinations would be directed to Somers Town, and Camden and Broad Street would receive only the traffic which they could load into their scheduled wagons. (c) By motoring the received "small" from the main London termini to the various sub-depots in the early hours of the morning, a greater proportion of the traffic would be delivered to the consignees earlier in the day. (d) Economies in the collection and delivery service would be achieved by basing this on sub-depots instead of on the main London termini. Not only would unproductive running between central London and the outskirts be greatly reduced, but cheaper cartage units would be employed in the relatively small area catered for by the sub-depot.

Apart from the relief thus afforded to the main London goods depots, plans were in an advanced stage for remodelling them and introducing conveyors and

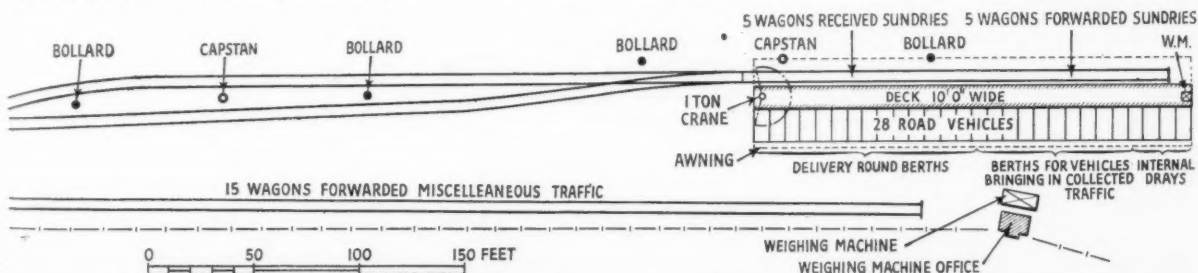


Sorting bank with travelling crane, designed to give a quick turn-round for road vehicles

Sorting (the bugbear of "small") would be considerably reduced at the large London depots, where it is most costly, mainly on account of long trucking distances. Only a primary sort of received traffic into sub-depot areas would be needed at the main stations; the final sort into delivery rounds would be undertaken at the sub-depot on a small deck and at a relatively cheap cost. On the forwarded side, also, the main stations would benefit because the primary sort

other appliances for the speedy handling of goods.

With the outbreak of war, the conception of sub-depots had to be somewhat revised. Events in Poland demonstrated the strong probability that sooner or later the full strength of the *Luftwaffe* would be directed against London. When danger threatens, "all the eggs in one basket" is not a good policy, and it was quickly appreciated that the loss of the whole or part of the facilities at a main



General view of sub-depot as designed for wartime use, and providing for the expeditious handling of wagons

London depot through air raid damage would not be nearly so disastrous if a proportion of the traffic could be diverted to and dispersed over a number of sub-depots.

This was not the whole story because in order to afford the maximum relief to the main stations, we had to legislate for provincial sending stations to forward traffic direct by wagon to the sub-depot instead of loading to the main stations. Likewise, the outwards traffic from the sub-depot would require to be loaded direct to the provinces by wagon instead of first being motored to the main London termini. This is the policy which has been followed with the sub-depots which have been opened already, and although it may be argued that the arrangement is not ideal, war conditions often demand

drastic measures and countermeasures. Certain it is that those in authority have considered prudently the hazards of enemy action and the likely or possible consequences. As a result, sub-depots of the wartime pattern described are coming into being as part of a plan rather than an expedient, to meet the dislocation, present and potential, brought about by the ravages of the Hun.

Direct wagon transit to and from the sub-depots, as a wartime measure, instead of trunk motor services with the main London goods termini, eliminates these motors with considerable savings in motor fuel and tyres. Both commodities are so much needed to meet the insatiable demands of the fighting services that any economy of their use by other undertakings assumes first class importance.

Conjecture as to what the future may hold in store is indulged in by a good many persons, and there are those who believe that when this conflict is over, there will be alterations in the handling of London goods transport. In such circumstances, the pre-war conception of the function of sub-depots may be greatly widened, and it is easy to foresee the possibilities of creating sub-depots which would serve as sorting points, and on which would be based the collection and delivery establishment for all the miscellaneous railborne traffic in the area. From this, it may not be such a far cry to visualising these sub-depots as the meeting places or clearing houses for small consignments which are to be or have been road-borne, as well as those for rail conveyance.

Engine Wear with Producer Gas

Factors affecting engine wear generally, and when producer gas is used, are discussed in this article

EXCESSIVE engine wear is one of the most serious troubles experienced when using producer gas as a substitute for petrol, and although wear is primarily controlled by the efficiency of the gas-filtration system used, there are many other factors which influence results. The causes of engine wear, even with petrol, are sometimes obscure and experts often disagree, for example, as to the relative importance of "corrosion" and "abrasion" in causing bore wear. Moreover, theories and laboratory tests are frequently inconsistent with operating results, but this is hardly surprising in view of the very variable conditions encountered in service together with the difficulty of obtaining exactly comparable data, and the even greater difficulty of interpreting information gained. There are, however, several conclusions which are supported by a large proportion of operators and investigators alike and these help to explain the differences in engine wear occurring in petrol and producer-gas driven vehicles.

It is generally agreed that engine wear is materially increased if the engine is used intermittently; that is, the more stops and starts are made, the greater the engine wear will be for a given mileage. This is intimately connected with the further observation that overcooling of an engine leads to excessive bore wear. The evidence for variation in wear due to differences in quality and quantity of oil is much less certain, but there seems to be a fairly definite agreement that upper-cylinder lubrication is beneficial. Water in the lubricating oil appears to have an adverse effect on bore wear under certain conditions, but the extreme case of the use of water and oil mixtures in steam-engine lubrication is often quoted as proving this factor to be unimportant. It is considered, however, that the presence of water plus dissolved gases or salts from the products of combustion has a profound influence on engine wear.

Generally, it is seen that bore wear increases if the cylinder walls are subjected to frequent attack by corrosive or abrasive materials when there is insufficient oil film protection. These conditions exist when an engine is first started from cold, particularly if the lubricating system is not designed to get oil quickly to the cylinder walls.

To turn to the problem of excessive engine wear with producer gas, it is to be expected that there will be a wide variation of wear figures depending on the different types of engine and the different methods of operation (continuous use as opposed to intermittent use) as well as on the different kinds of gas filter employed.

Faulty Filtration

The filtering system may be faulty in two ways; first, it may allow the passage of dust and tar, and secondly, it may allow excessive moisture or liquid to pass to the engine. The first defect will lead to abrasion, particularly when the surfaces to be lubricated are not well protected with an adequate oil film; it will also cause a "build-up" of deposits under the valves which may subsequently overheat because of the insulating layer formed between the valve and its seating. Dust and tar will likewise cause deterioration of the plugs, as well as choking of the gas mixing valve and the manifold parts. These ill effects are soon reflected in the progressively poor road performance of the vehicle, the only remedy for which is to recondition the engine head. Repetition of the trouble is to be prevented by supplying fresh oil after flushing out the old, and then adopting a better gas filtration system.

The carrying over of excessive moisture or liquid into the engine can be just as serious, as the carry-over of dust and tar, or even more so. This is because producer gas contains a number of impurities which on combustion in the cylinder make corrosive substances in the presence of water. If condensation on the cylinder walls and other parts did not take place, no harm would be done, but condensation does take place under certain conditions when the engine temperature is low and the oil film is inadequate. Under these conditions engine wear is liable to be very much heavier than with petrol.

Conclusions

No general figures for the rate of engine wear can be given either for petrol or producer gas because of the wide variation in operating conditions. In practice, however, the operator is concerned only in reducing engine wear with producer gas to a figure comparing favourably with that

obtained using petrol under the same operating conditions. It is as well to point out that when used on producer gas an engine may have to make more revolutions for a given journey than when petrol is used, because of its reduced power, and this factor alone will account for a certain small percentage increase in engine wear.

The following suggestions are made to help the operator to obtain engine wear figures as nearly as possible the same as are obtained when using petrol:—

(1) The use of a gas filtration system which really removes dust and excess tar from the gas. Deposits on the mixing valve, manifold, plugs, and engine valves are a clear indication that dust and tar are not being removed satisfactorily.

(2) The prevention of water or liquid carry-over into the engine. This applies particularly to gas filtration systems employing some form of "wet" washer, since gases with high velocities will sometimes pick up liquid and carry it right through to the engine unless adequate means are provided for its removal. Symptoms of this trouble are sludge formation in the oil and rapid dilution, leading very often to the formation of an emulsion.

(3) "Continuous" engine use as against "intermittent" use, helps to reduce wear. All methods (such as providing thermostats in the cooling water) which give rapid heating of the engine after starting and impose a check on its subsequent cooling tend to minimise wear when the engine is used "intermittently."

(4) Adequate crankcase ventilation helps to keep the oil free from moisture and acids which might otherwise do harm.

(5) Upper cylinder lubrication may help to put oil on the cylinders at a time when it is not being adequately supplied by the normal oil feed. Oil feed systems vary in their ability to supply oil rapidly to the cylinder walls; a measure of splash feed is considered by some to be the most effective.

(6) Scouring the cylinders by running for a few minutes on petrol alone after using producer gas, tends to prevent condensation of harmful products which would otherwise cause corrosion of the bore surfaces during the shut-down periods.

Rapid deterioration of the oil is the most unequivocal sign that the gas filtration system is not functioning satisfactorily. Inspection of the oil and, if possible, of the engine parts will generally quickly indicate where the trouble lies and so enable the right steps to be taken to remedy the defects.

The Pan-American Highway

Considerable progress is being made with the completion of this great work, lengthy sections of which are in use

It would seem that considerable progress has been made with many sections in the Pan-American Highway since the publication of the article in our issue of May 15 last (pages 569-570), and the openings of various portions have been recorded in our columns from time to time. Of course, the most striking continuous length of new road to be brought into service is the Alcan Highway, which formed the subject of a separate article in our issue of December 11 (page 587). At the same time, steady progress, expedited by American finance and American equipment, has been made in linking up isolated sections in South and Central America, a matter of ever-growing importance in view of the shortage of shipping transport and the increasing risk to ships from enemy attack.

The Pan-American Highway system has been under construction for almost 19

years, and when it is completed it is estimated that nearly \$500,000,000 will have been expended on it. Although the highway is still not available for through traffic between the United States and South America, the completed sections are capable of being used as links in chains of combined land and water transport which materially reduce both the length of sea routes and also eliminate the most dangerous and exposed portions of water transport, although at the cost of more than one trans-shipment. Excepting for about 2,000 miles of continuously-surfaced roads in Mexico, the 3,500 miles of the North American section of the Pan-American Highway (known as the Inter-American Highway north of the Panama-Colombia border) is still under construction. Many intermediate sections are completed, and it is hoped that these will all be linked up by June of the present year. One of the

weakest links is the 300 miles of territory in southern Panama and northern Colombia which still are in the survey stage.

The South American section of the Pan-American Highway between La Guaira (Venezuela) and Rio de Janeiro (Brazil) is about 8,200 miles long, following for the most part the Pacific coast through Colombia, Ecuador, and Peru, and continuing south-east through Bolivia and Argentina and thence northward along the Atlantic coast through Uruguay and Brazil. It is about 325 miles longer from the junction point at Vitor, Peru, by the western route which continues south through Chile and eastward to Argentina. Previous reference to devel-

opments in Argentina was made in our December issue, page 559.

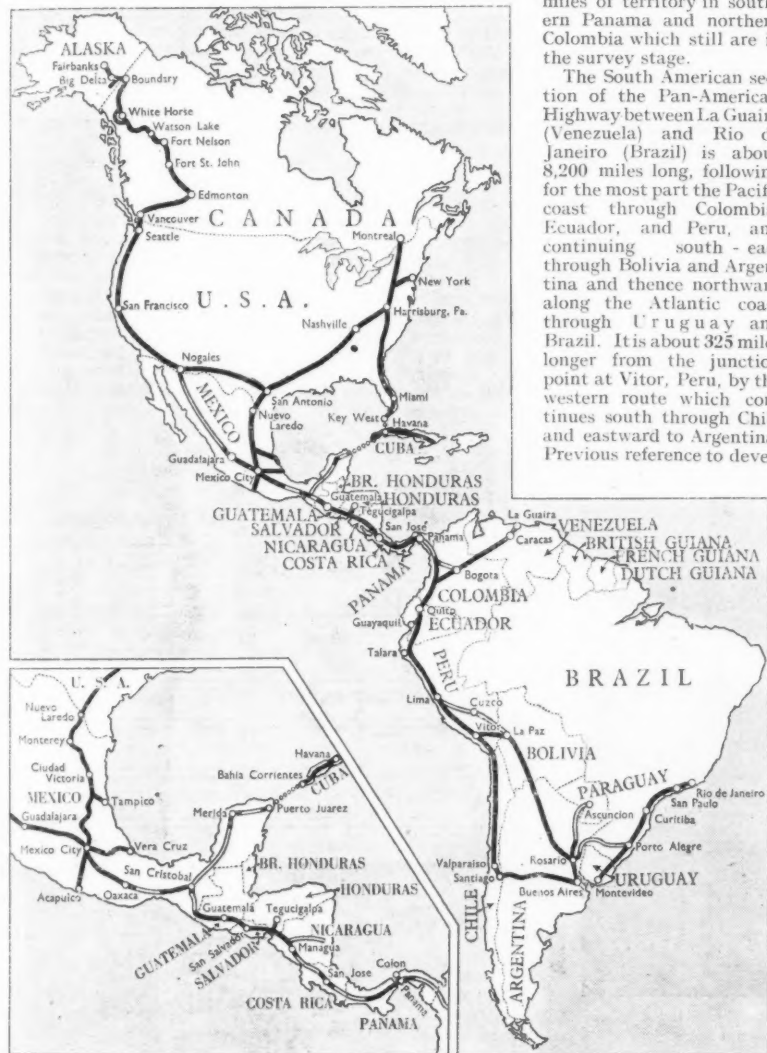
On the accompanying sketch map we have endeavoured to indicate which sections of the Pan-American Highway remain unfinished. According to reports in the hands of the United States Public Roads Administration in August, 1941, or shortly before the U.S.A. entry into the war, the highway in South America was 76.1 per cent. finished for "all weather" driving, which means all year round. In addition, 20.3 per cent. was "dry-weather" road which could be used for six months of the year, bringing the total of useful highway to 96.4 per cent. for at least half the year. During the past year additional construction and improvements have probably brought the last-named figure up to about 98 per cent. Moreover, much mileage which was available during the dry weather is now available for most, if not all, of the year.

The principal bottleneck in South America is a 290-mile stretch in Ecuador. For construction work in this area the Export-Import Bank of Washington has made a loan of \$900,000 to Ecuador. Only 75 miles of road can be constructed with this loan. However, with the immediate additional expenditure of approximately \$7,500,000 for construction in this area, it is reported that it would be possible to make a detour road available in two months and to complete the 290-mile gap in about five months of actual construction work. Until this is ready, the section between Talara (Peru) and San Juan (Ecuador) may be covered by a 10-hour water connection of about 175 miles from Talara to Guayaquil (Ecuador), or from Puerto Bolivar to Guayaquil—a distance of only 90 miles. Ship schedules and services are now military secrets, but no doubt a ship-ferry service for motor lorries carrying important materials could be arranged. From Guayaquil, a 115-mile detour east to San Juan, on the Pan-American Highway, can be used in the "dry-weather" season. It would require only about two months to make this road available for "all-weather" lorry movements, and possibly the work has already been begun.

From April to November, in the 12,600-ft. Uspallata Pass in the Andes Mountains, on the border of Chile and Argentina, winter snows accumulate and prevent normal movement of wheeled traffic between the two countries for about six months of the year. If increased traffic warranted it, snow ploughs could keep this road open all year. Our map shows the alternative central route north-east of Buenos Aires (Argentina) to La Paz (Bolivia), connecting with the western branch of the Pan-American Highway to Vitor (Peru) near the Pacific coast. This route could be used to service Argentina, Uruguay, Paraguay, Bolivia, and portions of southern Brazil during the winter months, so that there could be free movement of vehicles over the highway during the whole year. Additional construction of alternative "all-weather" routes is also under consideration.

The active participation of Brazil in the war against Germany and Italy makes the inter-American movement of military supplies and strategic materials over safe dependable routes more urgent now than ever before.

With the Pan-American Highway, as indeed with all strategic works, the rate of progress is governed very largely by the degree of priority which is accorded to it by the principal governments concerned. In many of the countries through which the Pan-American Highway passes, unskilled and semi-skilled labour can be



Sketch map of the Pan-American Highway, showing in solid black lines the sections already completed

recruited in adequate numbers locally, but technical services and modern road-building equipment have to be supplied by the U.S.A., and this is key to the rate of progress. In certain respects, precise information is not at present forthcoming, as the U.S.A. authorities are naturally declining on security grounds to reveal the precise strength or weakness of the highway at any given moment, but it may be assumed that the authorities of the various American Republics during the 14 months which have elapsed since Pearl Harbour have done much to expedite construction, and already the Pan-American Highway has become a transport unit of very considerable strategic value.

To overcome the difficulty of the 300-mile gap in southern Panama and northern Colombia, the U.S.A. Public Roads administration sent a highway engineer to Colombia at the beginning of this year to investigate the route from Debieba (the northernmost point in South America reached by the Pan-American Highway) to the port of Turbo, on the Gulf of Uraba in the Caribbean Sea. The distance between Debieba and Turbo is about 80 mile. Both points are in the province of Antioquia, and the U.S.A. engineer is working in co-operation with the engineers of the Province as well as with those of the Colombian Government. It is probable that an American credit will be granted to facilitate construction. This road is of



Inter-American Highway frontier station on the border of Salvador and Guatemala

great strategic importance, as it will be the only Colombian highway to the Caribbean Sea, and will permit of direct transit from the Pacific port of Buenaventura to the Caribbean.

It has recently been announced that the pioneer road from the border of Mexico and Guatemala will be available throughout to Panama City and to Colon by June. From

Colon a ferry can then transport motorcars and lorries across the Gulf of Darien and the Gulf of Uraba for a distance of about 300 miles to the port of Turbo, thus bringing the northern parts of the Pan-American Highway into direct communication with the southern parts and their principal connections, involving more than 10,000 miles of highway in South America.

Stop Gaps for Fencing

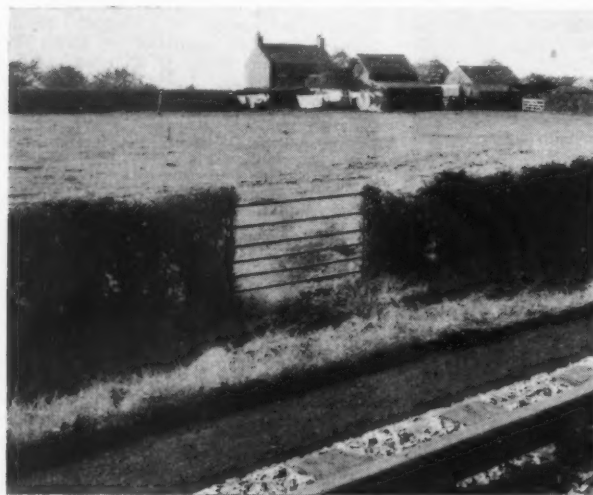
ALTHOUGH the annual expenditure on renewal of railway fencing is comparatively small, ideas for effecting savings are nevertheless worthy of consideration, especially in wartime conditions. Particularly in the case of hedges it is difficult to determine when a new fence must be substituted for a length of hedging, especially as the need for renewal is so often the incidence of gaps caused by fire. In the ordinary way, gaps are mended temporarily by the lengthmen as they occur, and the methods adopted differ,

partly because it is customary to use whatever type and quantity of material may lie readily to hand.

In the course of his recent presidential address to the Permanent Way Institution, Mr. F. E. Harrison, O.B.E., suggested that the provision of sections of standard portable material, in lengths of which multiples would fill any ordinary gap, was a worth while proposition. He suggested the adoption in 6-ft. lengths of stop gap fencing, made in the shops from scrap signal rodding. All the tools re-

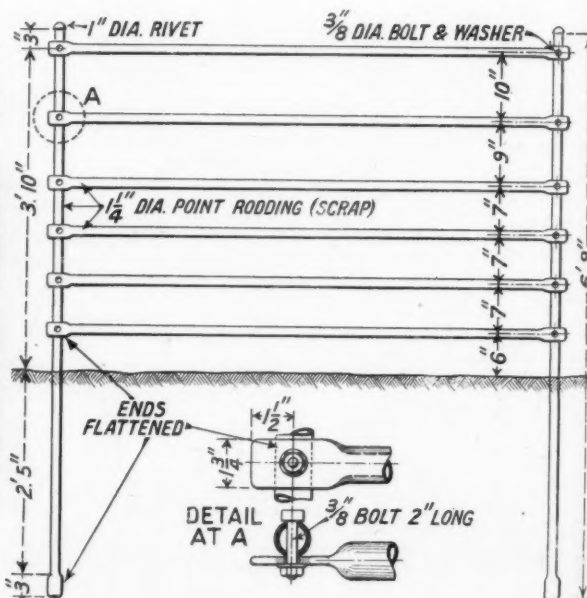
quired at the site would then be a spade, hammer, and a hedge slasher. A standard number of stop gaps could be kept in the stock of every permanent way inspector, and he would be enabled to keep an up-to-date record of their current locality. All lengths would be recovered when the renewal of the stretch could be deferred no longer, and would be returned to stock for issue elsewhere; their effective life should thus be lengthy.

This system has already been brought into experimental use by Mr. Harrison in the North-Eastern Area of the L.N.E.R., and he stated that reports were uniformly favourable.



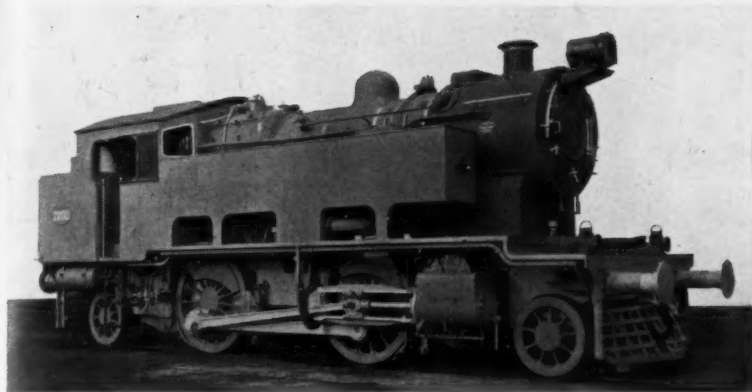
Above: General view of stop-gap unit in use

Right: Dimensions and general arrangements of stop-gap unit



ought
rison
the
eports

A diagram of a horizontal wooden beam, 6' 9" long, supported by five vertical posts. The beam is shown in cross-section, revealing its internal structure. The posts are evenly spaced along the length of the beam. The beam is labeled "6' 9"" at the bottom.



XUM

tween those of the existing "XT" 0-4-2 side-tank engines and "XA" (Branch) 4-6-2-type tender engines. They are built to negotiate curves of 573 ft. radius without gauge widening. To conform to the Indian Government rules, particular care had to be taken not to exceed the maximum permissible axleload of 16.5 tons, and, to save weight, welding has been employed extensively. The ashpan, cab, water tanks and bunker, smokebox saddle, and all frame stretchers are fabricated.

The boiler is of the Belpaire type and the inside firebox is made of copper with

Ross pop safety valves, a Clyde Mark VII soot blower, Everlasting blow-off cocks, and Klinger water-gauges. The boiler feed is delivered through a top-fed clackbox by two Gresham & Craven No. 7 non-lifting injectors. Alfol insulating material is provided on the fire-box back-plate only. The ashpans is of the hopper type with front and rear damper doors and both the rocking and drop grates are hand operated. As is usual with locomotives for India, ample windows are provided in the cab which has a folding driver's seat on the right-hand side.

The main frames are of steel plates, well stayed with fabricated plate stretchers. The edges of the platform plates are folded enabling the edge angle to be dispensed with and thus saving weight. The coupled hornblocks are of the double-flange type fitted with manganese-steel liners and Firthag steel wedges. Coupled axleboxes are of I.R.S. bronze Class III and have grease lubrication.

The cylinders are fitted with heat-treated Meehanite "A" cast liners. A Wakefield "AC" type sight-feed lubricator, with connections to the cylinder barrels, is located in the cab. Britallic packings are used for the piston rods. The piston heads and rods are of the M.O.B. type. Caprotti valve gear of the latest pattern is fitted.

The coupled-wheel balance weights are of the built-up type, and are formed with steel plates and lead fittings. Hub liners are made of Meehanite "B" castings and all crank pins are made from alloy steel. The coupling rods and connecting rod big-ends are provided with floating bushes of I.R.S. Class IV bronze, and the fixed bushes are of Firthag steel. Hard grease lubrication is provided for all bearings.

The front and rear trucks are identical and interchangeable with those provided

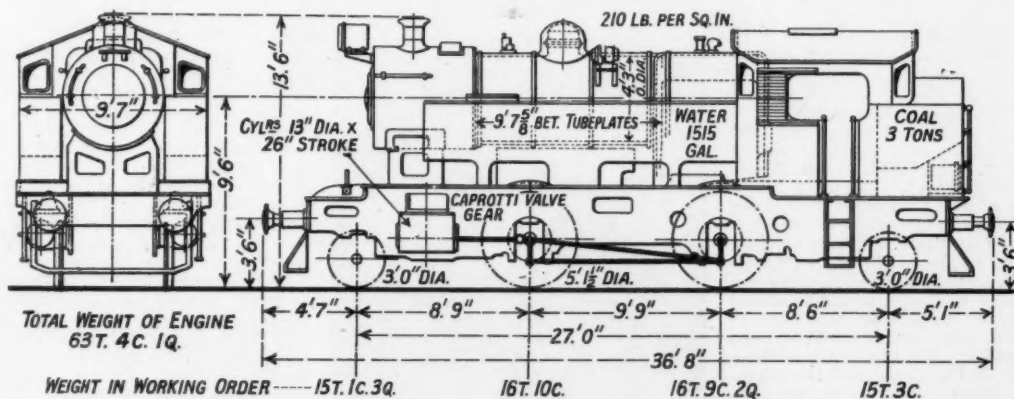


Diagram showing the principal dimensions and weight distribution figures

tank locomotive, the first of which had been completed. In our April 24, 1942, issue, there appeared a full description of the 0-6-2 Class "WW" tank locomotive after the completion of the first of its type. In the present issue we are able to describe yet another of the series, namely, the 2-4-2 Class "WU" side-tank locomotive, several of which have been built.

These engines are a new type which the Railway Board of India has decided to adopt as a prototype for a standard engine to perform duties intermediate be-

rigid water-space stays of copper and "Flannery" flexible stays in the zones where fractures most frequently occur. The firebox roof-stays are direct with the exception of the two front rows which are of the "Flannery" flexible type. The tubes are of solid drawn steel and the superheater has an M.L.S. multiple valve regulator header. A steam stand situated immediately in front of the cab has connections for the injectors, ejector, soot-blower, lubricator, pressure gauge, and whistle steam cocks. The more important boiler fittings comprise two 3 in.

on the "WV" and "WM" class locomotives already delivered to the Indian State Railways. They have S.K.F. cannon-type roller bearing axleboxes. Silent-bushes are fitted to the radial arm pins and also to the bearing spring stirrup hinges. The bearing shoe slides, bearing washers of the spring stirrups and radial arm brackets are made of Ferobestos N.W.1.

In addition to the side tanks there is a third tank placed immediately below the boiler and between the frames and connecting with the two side tanks.

This arrangement provides a large amount of water, namely, 1,515 gal. for an engine with a short coupled wheel-base.

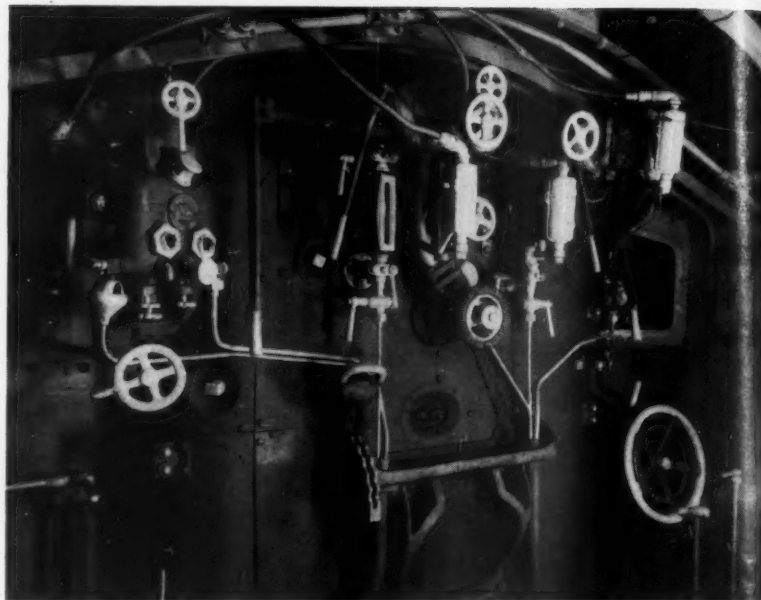
Vacuum and hand brakes are fitted and a Wakefield gun for hard and soft grease is provided to facilitate lubrication. Oil is used for the coupled axlebox guide faces, also for the spring and brake gear.

The electric-lighting equipment, which comprises generator, front, and rear head lamps and cab lights, is of the "Sun-beam" pattern. The cab connections and fittings are by J. Stone & Co. Ltd. Oil lamps are provided also for the front and rear buffer beams and for emergency lighting in the cab.

The leading particulars are as follow:—

Cylinders (2)	13 in. dia.
Piston stroke	26 in.
Wheels, coupled, dia.	5 ft. 11 in.
" trailing, dia.	3 ft. 0 in.
Wheelbase, coupled	9 ft. 9 in.
" total	27 ft. 0 in.
Boiler, dia. outside	4 ft. 3 in.
" length between tube plates	9 ft. 7½ in.
" height of centre from rail ...	9 ft. 6 in.
" heating surface (18 flue tubes) ...	238 sq. ft.
" (96 boiler tubes) ...	423 "
" (firebox) ...	81 "
" (evaporative total) ...	742 "
" (superheater) ...	182 "
Combined total	924 "
Grate area	18½ sq. ft.
Boiler pressure	210 lb. per sq. in.

The engine develops a tractive force (at 85 per cent. boiler pressure) of 12,750 lb. In working order it weighs 63 tons 4 cwt. of which 32 tons 19 cwt. is available for adhesion. The individual



Interior of cab, showing some of the controls and fittings

axleloads are shown on the diagram on page 269. As our illustration shows, the engine is particularly neat in appearance

and despite wartime conditions the workmanship and materials throughout are of the highest class.

Women Booking-Clerks on New South Wales Government Railways

Details of a successful training-school experiment

IN connection with the article entitled "L.N.E.R. Clerical-Training Experiment" which appeared in THE RAILWAY GAZETTE of September 25, 1942, the Commissioner for Railways, New South Wales, Mr. T. J. Hartigan, C.M.G., has forwarded particulars of a somewhat-similar institution on the New South Wales Government Railways. For many years, goods and coaching accounts have been included in the many subjects taught at the Railways Institute. Study of those subjects was confined to men, but there was a modified course for platform attendants—women in charge of small stations—who have to do a certain amount of clerical work. The war, however, brought its own staff, as well as other, problems. Enlistments in the Forces and the release of large numbers of men for defence production depleted the regular staff to such an extent that it was unable to cope with the traffic, particularly as, during the last three years, the number of passengers has increased by 17 per cent. and the tonnage handled by 22 per cent. To make good the deficiency, a number of women were engaged as booking clerks, undergoing one month's intensive training in all the duties of issuing and accounting for tickets, invoicing parcels, and conducting cloak-room business.

An experienced coaching-clerk placed in charge of the first class found a score of apt and willing young women eager to master, not only the routine work, but also the many problems which beset



booking clerks. The selected applicants had to have attained a good educational standard, especially in arithmetic. For a start, they were taught the geography of the State and the disposition of the rail-

way system, with particular attention to junctions which make the calculation of through fares difficult. The classroom was furnished with ticket racks, dating press, and other necessary paraphernalia. Several days of the course were spent at stations obtaining practical experience.

At the end of the period of classroom tuition, the students were posted to stations (close to their homes where possible) and allowed a further four weeks' training on the spot before taking up duty. It was soon clear that the experiment had succeeded and that the trainees were competent to assume all the duties and responsibilities of booking clerks; other classes, therefore, were arranged. In all, five have been held, and 80 women so trained. Practically all of them are at present at metropolitan stations, but appointments elsewhere are contemplated.

The women receive the same commencing rate of pay as male booking-clerks and all the privileges of permanent railway-employees. In addition to booking-clerks, women are being employed as barrier porters, parcels clerks, motor drivers, and carriage cleaners. Before the war the employment of women on the railways of the State had been confined mainly to office girls, waitresses, charwomen, gate-keepers, and rest-house attendants.

AN ACHIEVEMENT IN PAPER ECONOMY—Cable & Wireless Limited has salvaged 962 tons of waste paper since the beginning of the war. By economies in the use of paper, consumption has been reduced by 95 tons a year. These economies have been effected by cutting the sizes and thicknesses of forms, envelopes, and so on; by printing on both sides; by reducing bindings on books; and by the combination or elimination of certain forms and returns.

RAILWAY NEWS SECTION

PERSONAL

L.M.S.R. VICE-PRESIDENT

Mr. G. L. Darbyshire, O.B.E., Chief Officer for Labour & Establishment, has been appointed a Vice-President of the L.M.S.R., in succession to Sir Ernest Lemon, O.B.E.

COLONIAL RAILWAY APPOINTMENTS

The Secretary of State for the Colonies has approved the following appointments:—

Mr. A. E. Hamp, C.B.E., Chief Engineer, Kenya & Uganda Railways & Harbours, to be General Manager, Tanganyika Government Railways, in succession to Mr. R. E. Robins.

Major C. R. Turner, Chief Mechanical Engineer, Gold Coast Government Railway, to be General Manager of Railways, Gold Coast.

Mr. A. G. Norman to be Assistant Secretary, Railway Department, Palestine.

Mr. A. W. Leath, Divisional Rolling Stock Engineer (Trams & Trolleybuses), London Passenger Transport Board, retires from the board's service on March 13, and Mr. J. Schofield has been appointed his successor, with the same title, reporting to the Acting Chief Engineer (Trams & Trolleybuses).

Mr. Percy Goddard, Assistant Traffic Manager, Central Argentine Railway, has been appointed Traffic Manager, in succession to Mr. G. F. Sampson, who has retired.

INDIAN RAILWAY STAFF CHANGES

H.E. the Governor-General has been pleased to nominate the Hon. Sir Edward Charles Benthall to be an official member of the Central Advisory Council for Railways, of which he is also Chairman.

Sir Bertie Staig, C.S.I., I.C.S., formerly Financial Commissioner for Railways, Railway Board, has been appointed to officiate as Secretary to the Government of India, War Transport Department, as from September 28.

Colonel H. W. Wagstaff, M.C., late R.E., has been confirmed as a member of the Railway Board.

Mr. M. R. Swaminathan has been appointed to officiate as Director, Railway Clearing Accounts Office, as from September 2.

Mr. A. G. Englefield has been appointed to officiate as Deputy Chief Mechanical Engineer, N.W.R., as from August 4.

Mr. E. M. Heberd has been appointed to officiate as Deputy Controller of Stores, G.I.P.R., as from July 20.

Mr. K. B. Ray has been permanently confirmed as Deputy Chief Engineer, B. & A.R.

Major F. J. Chapple, D.S.O., General Manager, Bristol Tramways & Carriage Co. Ltd., has been appointed a Director.

Mr. C. G. W. Cordon, C.I.E., Agent & General Manager, Madras & Southern Mahratta Railway, has been elected President of the Indian Railway Conference Association for 1943-44.

Mr. Miles Beevor, who, as recorded in our March 5 issue, has been appointed Chief Legal Adviser to the L.N.E.R., was educated at Winchester and New College, Oxford, and was a Scholar of both colleges. He was admitted as a solicitor in 1925, and was a partner in the firm of Messrs. Williams & James from April, 1925, until he took up his present appointment this year. Mr. Beevor was also a Director of the Legal & General Assurance Society Limited from August, 1933; he resigned from the board on taking up his present appointment. He is a Director of the Solicitors' Benevolent Association, and is a J.P. for Hertfordshire. Mr. Beevor served in the R.A.F.V.R. from April, 1941, to November, 1942, and held

Ltd., has been elected President of the Institute of Export for 1943, in succession to Sir Patrick Hannon.

At the fortieth annual meeting of the Canadian Railway Club on January 11, Mr. A. S. McDonald, General Storekeeper, Canadian Pacific Railway, was elected President; and Mr. E. A. Bromley, General Purchasing Agent, Canadian National Railways, and Mr. T. F. Donald, Assistant Works Manager, Canadian Pacific Railway, were elected First and Second Vice-Presidents, respectively.

The late Dr. William Lombard Murphy, a Director of the Great Southern Railways Company (Eire), who, as recorded in our February 19 issue, left £150,000 in Eire (on which estate duty of £58,525 was paid), has left a total estate in England and Eire of £286,250, on which duty of £103,753 has been paid.

Mr. A. S. Anderson has been appointed General Baggage & Mail Agent, Toronto, Canadian National Railways, in succession to Mr. L. L. Grabill, who has retired.

Mr. D. G. MacCormack, Chief Engineer, Central Uruguay Railway, has been elected Chairman of the Buenos Aires Association of the Institution of Civil Engineers for the current year. Mr. L. Reynolds, Acting Chief Engineer, Buenos Ayres & Pacific Railway, has been elected a Vice-Chairman.

The late General the Hon. Sir Herbert Lawrence, Chairman & Managing Director of Glyn, Mills & Company, and a Director of the London Midland & Scottish Railway Company, whose death was recorded in our January 22 issue, left £107,207, on which duty of £26,385 has been paid.

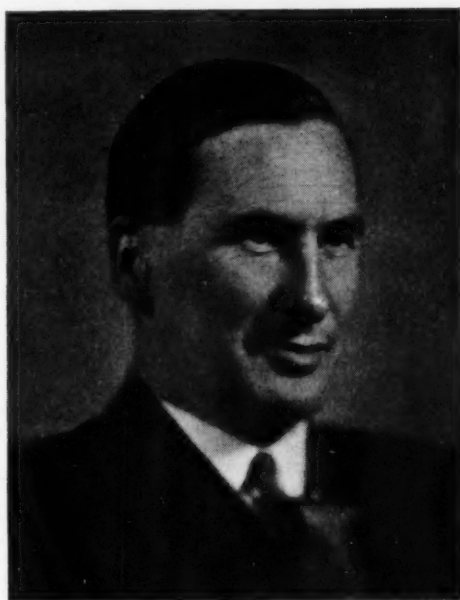
INSTITUTION OF ELECTRICAL ENGINEERS

Lord Hankey has been elected an Honorary Member of the institution.

The Faraday Medal of the institution has been awarded to Sir Archibald Page, in recognition of services to electricity supply.

Herr Robert Egger has been appointed Chief of Workshops, Swiss Federal Railways, in succession to the late Herr Jakob Schnurrenberger. Herr Egger was born in Biel in 1886 and studied there and in Zurich; afterwards he was engaged in a boiler works at Richterswil and in the Swiss Locomotive & Machine Works at Winterthur. He was appointed to the railway technical staff in 1915, and served in various localities in the Traction Department before becoming Supervisor of the Olten Workshops in 1936. He took up his present appointment in July of last year.

The Minister of War Transport has appointed a committee to consider the transport facilities, accommodation, and layout of the Merseyside port area on both sides of the river, and to submit proposals relating to post-war development with a view to more expeditious



Mr. Miles Beevor
Appointed Chief Legal Adviser,
London & North Eastern Railway

the rank of Acting Flight-Lieutenant (Administration & Special Duties Branch).

Mr. J. F. Pringle has been appointed General Manager, Atlantic Region, Canadian National Railways, and will relieve Mr. W. U. Appleton, Vice-President in charge of that region, of much direct work in connection with the operation of the greatly-increased traffic over the company's eastern lines. Mr. Pringle, who hitherto has held the position of Chief of Transportation, joined the C.N.R. in 1919 as an assistant engineer at Montreal; in 1923 he was appointed Transportation Engineer to the Chief of Transportation, and later in the same year became Assistant General Superintendent of Transportation. After holding various other positions, he was made Chief of Transportation in 1941. Mr. Pringle was one of the C.N.R. officers lent to the National Railways of Mexico to assist in reorganising traffic methods on the Mexican lines during the winters of 1929-30 and 1930-31.

Mr. L. C. Gamage, Vice-Chairman & Joint Managing Director, General Electric Co.

and economic handling of goods and services in the docks, and to the improvement of the access thereto. The committee consists of Sir William Chamberlain, Regional Transport Commissioner (Chairman); Mr. R. Howell Davies, Divisional Road Engineer; Mr. M. J. Hellier, Regional Planning Officer; Mr. R. J. Hodges, Mersey Docks & Harbour Board; Mr. Ashton Davies, Railway Executive Committee; Mr. H. Hamer, Liverpool City Engineer & Surveyor; Mr. W. A. Harrison, Borough Engineer, Bootle; Mr. B. Robinson, Borough Engineer, Birkenhead; Mr. L. St. G. Wilkinson, Borough Engineer, Wallasey; Mr. W. H. Barton, Liverpool District Trades Council; and Mr. W. A. Cornes, Joint Road Transport Organisation.

Mr. Harry Davis, whose death we recorded last week, was Assistant (Central Office) to the Secretary & Assistant to the President, London Midland & Scottish Railway Company, from 1926 until his retirement in 1938. Mr. Davis entered the service of the former London & North Western Railway in 1893 as a junior clerk in the Chester & Holyhead District, and in 1899 was transferred to the Goods Trains Section of the Superintendent of the Line's Office, Euston. Six years later he was appointed Coal Inspector, and shortly afterwards became Outdoor Goods Train Assistant. On the outbreak of war in 1914, he co-operated with the Admiralty in the task of organising the transport of coal by rail; and in the next year his services were lent to the Ministry of Munitions for control of the movement of traffic into, within, and out of the largest Government factory: he was made Traffic Manager in 1916, and subsequently became, in addition, Chief Supplies Officer. Shortly after resuming his former position with the L.N.W.R., Mr. Davis was appointed to serve, on behalf of all the British railway companies, on a Government sub-committee. For some time he filled the post of Personal Assistant to the Rt. Hon. H. G. Burgess when the latter was Deputy General Manager, L.M.S.R. After the formation of the Executive, he was appointed Assistant (Central Office) to Mr. O. Glynne Roberts. For a number of years Mr. Davis was the company's representative on the Managing Committee of the Railway Research Service.



The late Mr. Harry Davis

Assistant (Central Office) to the Secretary & Assistant to the President, L.M.S.R., 1926-38



Mr. R. C. Rattray

Appointed Assistant to Chief Engineer (Development), L.N.E.R.

Mr. R. C. Rattray, M.B.E., District Engineer (Glasgow District), Scottish Area, L.N.E.R., who, as recorded in our March 5 issue, has been appointed Assistant to Chief Engineer (Development), was educated at Charterhouse and at Cambridge, and holds the degree of Bachelor of Arts in Science (with Honours). He is also an Associate Member of the Institution of Civil Engineers, and is a Miller Prizeman. He served his pupilage with the Engineering Department of the former Lancashire & Yorkshire Railway, and later became an assistant on the engineering staff of that company. In 1920 he was appointed Assistant District Engineer for the Guide Bridge District of the Great Central Railway, which position he retained after the amalgamation under the London & North Eastern Railway. In February, 1927, he was appointed District Engineer (Southern District), Scottish Area, with headquarters at Carlisle; and in February, 1937, he was transferred to the Western District, Glasgow, in a similar capacity. Mr. Rattray served in France from 1915 until the end of the war, when he retired with the rank of Captain, Royal Engineers; and he was awarded the M.B.E. in November, 1941, for an action during the Clyde-side Blitz.

We regret to record the death on February 27, at the age of 61, of Mr. S. J. Roberts, Staff Assistant to the Traffic Manager, Southern Railway, after more than 45 years' service with the London & South Western and Southern Railways. Cremation took place at Mortlake Crematorium on March 4.

Mr. Lewis Henry Tyler, L.M.S.R., conductor, who has been for 36 years with the Royal train, and Mr. Richard John Gerrard, L.M.S.R., sleeping-car attendant, who looks after the Royal saloons and has had unbroken service on the Royal train since 1910, have been decorated by the King with the silver medal of the Royal Victorian Order.

Mr. G. F. Fiennes, Acting Assistant to the Superintendent (Eastern Section), Southern Area, L.N.E.R., who, as recorded in our March 5 issue, has been appointed District Superintendent, Nottingham, was educated at Winchester and at Hertford

College, Oxford, and entered the company's service in 1928 as a traffic apprentice. After receiving training in the various departments, he was attached for a short time to the staff of the Freight Rolling Stock Controller at York. In 1934 he was appointed Assistant Yardmaster, Whitemoor, and was transferred to Cambridge in 1935 as Chief Controller. In 1936 he returned to York, where he was attached to the Freight Train Section of the Superintendent's Office. In January, 1938, he was appointed Chief Controller and Chief Freight Trains Clerk for the Eastern Section, Southern Area. He went to Edinburgh in August, 1939, as Assistant District Superintendent, transferring to Cambridge in January, 1940, in the same capacity. Mr. Fiennes was appointed Trains Assistant to the Superintendent, York, in October, 1941, and became Acting Assistant to the Superintendent (Eastern Section), Southern Area, in November, 1942. A portrait of Mr. Fiennes appeared in our December 11, 1942, issue, in connection with the latter appointment.

Mr. L. Sproat, District Superintendent, York, L.N.E.R., who, as recorded in our January 22 issue, has been appointed District Superintendent, Newcastle, joined the former North Eastern Railway as a clerk at Brampton Junction in January, 1912. He afterwards worked as a relief clerk attached to the District Goods Manager's Office at Newcastle until 1916, when he joined the Armed Forces and served in France, holding a commission in the Durham Light Infantry. After demobilisation in 1919, Mr. Sproat was employed in the Chief Goods Manager's Office at York, but two years later was appointed a traffic apprentice. In 1923 he became Assistant Yardmaster, Dunston, and in 1924 was promoted to be Operating Assistant to the Dock Superintendent, Alexandra Dock, Hull. He was appointed Chief Clerk to the District Superintendent, Newcastle, in 1925, and in the next year was promoted to be Assistant to the District Superintendent at York. Further promotion occurred, as in 1928 he became Assistant District Superintendent, Newcastle; and Assistant to the Superintendent (Trains), North-Eastern Area, York, in 1933. His appointment as District Superintendent, York, dates from 1936.



Mr. L. Sproat

Appointed District Superintendent, Newcastle, L.N.E.R.

TRANSPORT SERVICES AND THE WAR—181

**Badge for Brave Conduct**

The King has approved a badge for issue to those granted civil Commendations for brave conduct. The design, which is registered, is by Mr. Kruger Gray, C.B.E., A.R.C.A., F.S.A. The badge will be sent during the next few weeks to all those to whom civil Commendations for brave conduct have already been awarded. Unless notice of change of address is received by the Secretary, Central Chancery of the Orders of Knighthood, St. James's Palace, S.W.1, the badge will be posted to the address to which the Commendation certificate was sent. The badge is intended to be worn in plain clothes on the left lapel of the coat, or in a corresponding position. In Merchant Navy, Civil Defence, Police, National Fire Service, and other civilian uniforms, it should be placed immediately above the centre of the position in which any medal ribbons are, or would be, worn. The badge will be sent (but not for wear) to the next-of-kin of those granted posthumous civil Commendations for brave conduct.

Producer-Gas Buses in London

On March 3, three producer-gas buses were placed in service by the London Passenger Transport Board on Route 36 between Hither Green and West Kilburn. These are the first producer-gas buses to operate in Central London. We refer to this in an editorial note, page 257.

Improved Bus Lighting

The improvements which the Minister of Home Security has authorised for lighting of motorbuses, trolleybuses, and trams specifically exclude the area within twelve miles of the East or South coasts; the west coasts of Cornwall and Devonshire; the coasts of Somersetshire, the Bristol Channel, and the Severn Estuary up to Redwick on the east and Chepstow on the west shore; and the south coast of Wales up to St. David's Head. In respect of estuaries within this belt, the twelve miles is measured from the point at which the estuary is a mile broad at high water. Arrangements may be made, where security

considerations permit, for bus services operating mainly in the areas in which the increased standards of interior lighting are allowed, to use the higher standards in the prohibited zone.

Priority Tickets on Buses

Mr. P. J. Noel-Baker, Joint Parliamentary Secretary to the Ministry of War Transport, received a deputation from the Town Council of Stoke-on-Trent on March 1 and an arrangement was come to that the operation of the proposed scheme for workers' priority tickets on buses should be deferred for a month to enable the matter to be discussed further.

Stations and Branches Opened and Closed

The passenger service between Ayr and Mauchline, on the G. & S.W. Section of the L.M.S.R. was withdrawn on January 4, 1943.

The halts at Little Stretton and All Stretton on the L.M.S.R. and G.W.R. Shrewsbury & Hereford Joint Line, were closed on January 4, 1943.

Trailer Gas Buses in Berlin

It was reported from Stockholm on February 1, that buses in Berlin are now being run on coal gas carried in trailers. As we have pointed out in these columns on more than one occasion, a substantial portion of the Berlin bus fleet was operating on coal gas even in pre-war days, but the gas was carried under pressure in steel cylinders. Presumably, a shortage of suitable cylinders is the cause of the introduction of gas trailers.

A few gas trailers were used in Great Britain during the last war for double-deck buses in the provinces, notably at Worthing, but the traffic difficulties of a gas balloon on a trailer prevented the practice from becoming widespread.

Passenger Traffic in Croatia

Passenger traffic was suspended from December to January 6 throughout Croatia, excepting for suburban traffic in the larger towns. Country people, conveying produce and other foodstuffs from areas surrounding towns to supply local markets, were allowed to use suburban trains. Otherwise, even persons holding railway passes were debarred from travelling. Travel permits for individual exceptional cases were issued by the police authorities on special written authorisation granted by the Ministry for Home Affairs. Only for police travel per-

mits issued in particularly urgent cases, such as grave illness, could the ministerial authorisation be dispensed with. Persons holding foreign passports with valid visas to enter and leave Croatia were not subject to the formalities, but were allowed to use the few travel facilities which remained available.

With the resumption of railway services on January 6, a new order was issued by the State Commissar for Security on the Railways, forbidding private persons to enter stretches of land adjoining railway lines, railway bridges, etc., for a width of 300 m. (984 ft.) on each side of the railway. Only by day, and only after having obtained special permits, may private persons use roads skirting railway lines.

Prohibited Zone in East Africa

The eastern part of the Transvaal and the northern part of Natal, constituting the area adjoining Portuguese East Africa, have been declared a prohibited area, under an Emergency Regulation gazetted on March 5. The line runs from the Limpopo River to a point on the Transvaal-Swaziland border, and in the Natal area from the Indian Ocean to a point on the Pongola River. With certain exceptions, no one may enter the defined area without permission.

Australian Transport in War

Although Australia has been a belligerent country since the outbreak of the war, many of the more stringent restrictions affecting transport were not introduced until the war spread to the Pacific, with the entry of Japan on December 7, 1941. Echoes of this are to be found in the various reports of the State Railway administrations for the financial year ended June 30, 1942. On December 10, 1941, regulations were made under the National Security Act by which the Commonwealth assumed powers of control over rail transport "with a view to the more effectual use thereof, in connection with any war in which His Majesty is or may be engaged, and to require that rail facilities, equipment, and rolling stock, shall be subject to direction, requisition, and control, in the interests of the public security and the prosecution of any such war." In these regulations the control was vested in the Commonwealth Minister who (without abnegating his authority) delegated his powers in respect of each system to the local Railways Commissioner; in the case of Victoria it was to the Chairman of Commissioners.

Under further regulations passed on March 25, 1942, repealing those previously made, control is exercised through the medium of a Land Transport Board consisting of a Director-General of Land Transport, the Secretary of the Commonwealth Department of Transport, a member nominated by the Minister of State for the Army, a Director of Rail Transport, a Director of Road Transport, a member nominated by the War Railway Committee, and three additional members appointed by the Minister. The powers assumed by the Commonwealth under the present, as under the original, form of control, are extremely wide, but the administration and operation of the railways remain unchanged, excepting as regards matters covered by Order or Direction.

On December 13, 1941, the Federal Minister of Transport announced that the Cabinet had decided to curtail rail and road services during the Christmas holiday period in order to restrict holiday travel, and especially long-distance travel. In this connection, it must be recalled that Christmas falls at the height of the summer season in Australia. In addition, limita-

"THE CONVOYS DO GET THROUGH!"

- TO SIGNALMEN :** Whenever permissible "PULL ALL YOUR BOARDS OFF" to give trains the best run.
- TO GUARDS :** See that your Enginemen are promptly and clearly advised "RIGHT AWAY TO.....!"
- TO ENGINEMEN :** With the "BACK BOARDS OFF" get away with it. It will help the fellow behind you and get all of you home quicker!
- TO YARD STAFFS :** Be ready to "hook-off" and "GET CRACKING!" A minute saved might be an hour gained!

"THE TRAINS MUST GET THROUGH!"

Effective panel of advice inserted in the blank space at the end of a traffic circular of the Cheshire Lines Railway. We understand that this was the idea of a member of the staff of the L.N.E.R. who is on loan to the Cheshire Lines Committee

tions upon the granting of holidays were made under the Federal Order. Arrangements were therefore made to cancel many of the special trains which had been advertised, including all special services from Melbourne to Sydney and Adelaide. In all, about 140 trains were cancelled in Victoria alone. Since then, extra services have also been cancelled, or greatly curtailed, at the Australia Day, Labour Day, and King's Birthday weekends, and at Easter.

Up to June 30 last, Orders or Directions were made, or action taken at the request of the Federal authorities, in the following matters:—

Temporary restrictions upon carriage of tomatoes; Departures in many instances from normal regulations, in the carriage of explosives or other munitions, and petrol in rail tank cars;

Prohibition generally of the carriage of articles the manufacture of which in Victoria and South Australia had been prohibited;

Carriage of petrol in one-trip drums; Restrictions at various times upon the booking of passengers, and upon the public train services provided, between Melbourne and Perth;

The mixed-gauge railway operation Order legalises the operation by the Victorian Railways of lines of Victorian gauge (or mixed gauge) constructed in New South Wales at border stations;

Carriage of tomatoes consigned in May from Geraldton, Western Australia, in open trucks without tarpaulins;

Restrictions at times upon the carriage of oats and barley between Melbourne and Albury;

Limitation to seven days of advance booking for interstate passenger services (previously one month).

In addition, under an order dated June 17 last, a priority permit system was introduced, controlling interstate passenger traffic. This operated from July 1, and was accompanied by a reduction in the interstate express services, as already recorded in our columns for July 3 last (page 18), October 16 (page 379), and November 27 (page 527). The last-mentioned restriction is probably the most important, and of the greatest public interest. The civilian interstate traffic was exceedingly heavy, and the action of the Federal authorities aimed at its reduction with a view to leaving the important interstate routes more free for essential traffic. The system provides for preference being given to passengers in eight different groups, according to the order of classification, and prohibits interstate pleasure or holiday travel, as well as other movements of specified types.

The power of the Federal authorities to determine an order of priority in the carriage of goods has not yet been exercised, excepting in isolated respects. The Victorian Railways, however, under their own policy, give a general preference to goods consigned to or by the Defence Department, or to other consignees if the goods are urgently required for use in essential services for the Defence Department.

Although petrol rationing, the "freezing" of motor accessories, and impressment of vehicles for Defence requirements, had some restrictive influence upon road competition, practically all the long-distance road services, both passenger and goods, remained in existence until the entry of Japan into the war, operating with much the same frequency as in pre-war days. Subsequently, under National Security regulations, all such services as were deemed to be a non-essential duplication of other facilities were prohibited, unless they were being operated with producer gas, in which case, they were permitted to continue until the vehicles could be diverted to essential work.

Women Railway Staff in Brazil

The drain on manpower due to Brazil's entry into the war has led the Central Brazil Railway to organise emergency courses of training for women volunteers in Rio de Janeiro, São Paulo, and Belo

Horizonte. Courses in workshops provide for training women as fitters, turners, carpenters, and painters; and instruction is to be given also in electricity and soldering. Station-working courses include training for posts of stationmaster, telegraph clerk, radio-telegraphist, and ticket collector; and other courses provide for training women as guards, pointswomen, signalwomen, and lift-girls. The period of training varies from eight days in the case of the last-named to six months in those of fitters and turners. A special course of instruction in producer gas is to be given to approved candidates from the railway engineering staff.

Strategic Railway Links in Brazil

In the past, most important transport movements between the northern and southern States of Brazil have been effected by coastwise shipping, but the recent sinkings off the coast of the States of Sergipe and Bahia of various vessels engaged in this trade has brought prominently to the fore the question of improved land transport. In a recent review of the situation, the Director of the National Department of Railways pointed out that the military authorities considered that proposed railways linking adjoining systems at present isolated from one another constitute an urgent strategic necessity, and that the construction of such new lines should take precedence over any other railway project either proposed or in course of construction.

In effect, the railway systems of Brazil consist of various networks based on important ports and fanning out into the hinterland, but only those of the southern part of the country are inter-connected. The various sections of the present scheme are designed to fill in the gaps in such a way as to make through railway communication possible from the frontier of Uruguay in the south, right up to the port of Natal, on the large bulge of land in the north which is the nearest point of the South American continent to the Old World. Some of the necessary links have been under discussion, and in certain cases under construction, for some time past, while others might not have been undertaken but for wartime necessity.

In the north-east of Brazil an important link which has often been discussed is that between Collegio (on the opposite bank of the River São Francisco from the railroad of Propria) to Palmeira dos Índios (where the railway from the port of Macaio at present terminates). This line, which will be about 128 km. (80 miles) long, will run entirely through the State of Alagoas. It will have the advantage of joining the State of Bahia, south of Sergipe, with the States of Alagoas, Pernambuco, Parahyba, and Rio Grande do Norte. It is the Eastern Railways of Brazil which terminate at Propria, and a bridge between Propria and Collegio would be an eventual necessity, although its construction has not so far been included in any concrete plan. Early reference to this link (with a sketch map) appeared in our issue of July 9, 1937, page 58.

Further south, there is a substantial gap between the railways based on Bahia and those terminating at Rio de Janeiro and São Paulo, and steps to fill this gap are included in the present Brazilian Government schemes. The Central Brazil Railway extends northward as far as Montes Claros, and has undertaken to build the 240 km. (150 miles) of line thence to Tremedal. Northward of Tremedal the National Department of Railways has submitted a new plan and estimate, which has been recommended for immediate adoption, for

the construction of a railway through Caculé to Contendas; the last-named place is the present railroad of the Eastern Railways of Brazil (Viacao Ferrea Federal do Leste Brasileiro).

The Brazilian Minister of Transport & Public Works has emphasised that this railway would assist materially in the development of the territory to be served, even if it were not immediately justified on economic considerations, apart from its wartime urgency.

Compulsory Capacity Loading in Canada

Maximum loading of railway freight wagons has been made compulsory in Canada under an Order issued by the Transport Controller, and published on January 9 in the *Canada Gazette*. With a few exceptions, no railway has been allowed since January 18 to accept, anywhere in Canada except the Yukon Territory, any carload freight unless the wagon is loaded to capacity. In a separate Order, the Transport Controller has set out specific requirements for loading 74 specific articles. Wagons with a rated capacity of 80,000 to 100,000 lb. must be filled to 80,000 lb. Those rated at more than 100,000 lb. are considered under the Order to have a capacity of 100,000 lb. Bulk freight must be loaded to within 18 in. of the roof. Exemptions include shipments by or to the Armed Forces of Canada or Allied countries; commodities under Government restrictions which preclude large shipments; and freight loaded partly at one point for completion of load at another point.

Closing an American Resort

Six years ago, as the result of an idea conceived by Mr. W. A. Harriman, Chairman of the Union Pacific Railroad, the site of a sheep ranch in the Sawtooth Mountains, near Ketchum, Idaho, was developed by the U.P.R.R. into a summer and winter holiday resort known as Sun Valley, which has proved very popular. On December 20, however, the railway closed down Sun Valley for the duration of the war, despite heavy reservations throughout the winter. The reasons given to those holding reservations are shortages of manpower, food, fuel, and transportation. Sun Valley lies at the end of a 69-mile branch from Shoshone, on the Portland main line 1,166 miles west of Omaha.

New U.S.A. Railway Wage Demands

Late in December the "Big Five" of American railway labour unions—the Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen & Enginemen, Order of Railway Conductors, Brotherhood of Railroad Trainmen, and Switchmen's Union of North America—launched far-reaching wage demands. These are for a minimum wage increase of \$3 a day, and the grounds of the demand are stated to be added responsibilities, additional hazards to which employees are subject, excessive hours, manpower shortage, higher costs of living, and inequality of railway pay as compared with that of other industries. The application, to satisfy which would require a total addition of a sum of \$383,250,000 a year to the pay of 350,000 employees, over and above the 31 per cent. increase in the payrolls of Class 1 railroads in the eight months from May to December, 1942, follows a similar movement several weeks previously by the non-operating unions, which called for an increase of 20 cents an hour, with a minimum wage of 70 cents an hour, and a "closed shop."

London Midland & Scottish Railway Company

Operating results—Passenger travel limitation—Lighting in trains—Improved turn-round of wagons—Loss and damage of goods—Value of scientific research—Valuation for rating negotiations—Government attitude to railways

The twentieth annual general meeting of the London Midland & Scottish Railway Company was held at Euston Station, London, N.W.1, on Friday, March 5, 1943. Sir Thomas Royden, Bart., C.H., Chairman of the company, presided.

The Secretary (Mr. G. R. Smith) having read the notice convening the meeting,

The Chairman said: My Lords, Ladies, and Gentlemen, the report and accounts for the past year are on the table, and as they have been in your hands for some days I presume that you will as usual take them as read. Since our last meeting, the company has suffered a severe loss in the death of General Sir Herbert Lawrence. Sir Herbert joined the board of the Midland Railway in 1912, and was one of the original directors of this company. He was gifted with exceptional intellectual powers and was a great soldier, a great industrialist, and a great financier. His interest in the company's well-being, and in the direction of its affairs was at all times most marked, and we have lost a director whose services were of the greatest value. He was in the company's offices at Euston Station only a few days before he died and his mental powers were then as great and his understanding as keen as ever.

Mr. Pullar has intimated his wish to retire from the board. He was one of the original directors of this railway, and before that he was on the board of the Highland Railway for 24 years, finishing up in the position of Deputy Chairman. His intimate knowledge of all problems affecting railway working was of great value and help, and we all regret his decision to retire. He will be greatly missed by all of us who have the privilege of his friendship. With the retirement of Mr. Pullar we found ourselves short of a director in immediate touch with our interests north of the Border. This difficulty has been overcome by the appointment of Mr. Murray Stephen, the Chairman of the famous shipbuilding firm of Messrs. Alexander Stephen & Sons, who has, since 1938, been an active member of the Scottish Committee. His election, together with those of certain directors who are retiring by rotation, will be submitted to you for confirmation at a later stage in our proceedings.

We have strengthened the board on the financial side by the appointment as an additional member of Mr. Francis Maurice Grosvenor Glyn. Mr. Glyn is closely associated with our bankers, Messrs. Glyn, Mills & Co., and to the advantage of youth he adds that of a close and practical knowledge of finance generally, and more especially the finance of railways. Sir Alexander Steven Bilsland, Bt., and Colonel the Honourable Malcolm Campbell, D.S.O., have been appointed members of the Scottish Committee, which will benefit in every way by their wide knowledge of affairs.

In recognition of his many important public services, His Majesty the King has been pleased to confer a baronetcy on our colleague, Sir Francis Joseph. To our congratulations on this well-earned distinction we add our very best wishes for the future.

Our Chief Mechanical Engineer, Sir W. A. Stanier, is now on loan to the Minister of Production for special work. Sir William's

great services to the Governments of this country and of India have received due recognition and we are all delighted that His Majesty the King has been pleased to confer on him the honour of a knighthood. Mr. C. E. Fairburn has been appointed Acting Chief Mechanical Engineer in his absence.

Since the close of the year Sir Ernest Lemon, who has been one of our Vice-Presidents since 1932, has retired. In the various posts he occupied on the old Midland Railway and since amalgamation his work for us was one of distinction which has left a permanent value in our organisation. As you are aware, his services were lent to the Air Ministry in 1938, and to the Ministry of Production in 1942, and in each case he rendered marked service to the Government in the special wartime work entrusted to him. He carries with him the best wishes of all of us on his retirement.

Results of the Year

The net revenue accruing to the company during control under the agreement with H.M. Government, in respect of its own undertaking and its share in jointly-owned railways is a flat sum a year of £14,750,000. The amount shown in the accounts of 1942 for working results is roundly £14,806,000; the difference of £56,000 represents certain credits and debits outside the scope of the agreement. This portion of the net revenue for the year is £332,000 more than that for 1941 because of the cessation of certain charges outside the Government account which I mentioned a year ago. They no longer arise materially and have, with various larger credits, been dealt with through the contingency fund and will be dealt with similarly in later years. The other item of net revenue is the amount of £784,000 from investments in transport companies and from our interests in Ireland. They total £8,000 more than in 1941. The income of £259,000 from the Northern Counties Railway in Ireland, after one of £244,000 in 1941, is particularly gratifying when we recollect that in the years before the war that section was worked at a loss.

These amounts make the total net revenue for the year £15,590,000 and after adding £198,000 brought forward from last year and again setting aside £400,000 for wartime contingencies, there is £15,388,000 available for interest and dividend. The debenture interest and dividends on the guaranteed and preference stocks absorb £12,913,000, and the balance of £2,475,000 enables the Board to recommend to you an increase of the dividend on the ordinary stock from 2 to 2½ per cent., carrying forward £95,000 to 1943. I cannot promise a maintenance of the present dividend throughout control, but we have been conservative in our estimates and the reserve position is good.

Balance Sheet

There is one new feature in the balance sheet. During the year the trust fund for arrears of maintenance under the control agreement was formed and, as you will see, it stands at £17,310,000, of which £4,000,000 has been re-lent to the company. The £17,310,000 is reflected on the other side of the balance sheet partly in the renewal funds and partly in miscellaneous accounts.

It represents the estimated arrears of maintenance work which have accumulated during the war, and is based on the average expenditure and provisions of the years 1935-6-7 as varied by alterations in quantities of maintainable assets and in prices, but at this stage without allowance for abnormal wear and tear due to additional usage and war-time conditions. The contingency fund increased, apart from the £400,000 added out of net revenue, by £15,000 to the substantial amount of £1,654,000.

Operating Results

Once more in the history of the war we have touched new records in the operation of our line. As you will easily realise, the difficulties do not grow less, but rather increase as time goes on. In spite of these the total wagon miles alone reached the record figure of 2,300 millions, and we carried a much larger quantity of passengers. We have done this though handicapped by the transfer of over 34,000 of our trained staff to the fighting services, by a shortage of locomotive power, and by the grave interference in working caused by the black-out, especially in the handling of freight.

The President, Sir William Wood, and the Vice-Presidents, the Chief Officers, and the Departmental Heads at headquarters and in the provinces have done wonderful work. They have served their country and their company well, and in this they have had the loyal and efficient backing of the staff generally. To all of them is owed a special debt of gratitude, and with your approval I will take to them from this room an expression of our appreciation of their devotion to our interests.

Limitation of Passenger Travel

The very considerable number of travellers, other than members of H.M. Forces and those travelling on essential business, accentuates the difficulty of providing accommodation for all. It is, of course, a matter of urgency to take every reasonable precaution to ensure the maintenance of the services for the movement of troops and munitions. To this end the Government authorities have been compelled to take steps to discourage unnecessary travel. Special trains for holidays, excursions, and similar types of journey during Bank Holiday periods or at other times during the holiday season have been prohibited. Cheap day tickets as well as certain other types of cheap tickets have been withdrawn.

Train Lighting

The railways have been criticised somewhat severely during the last few months about the lighting in trains and the general belief appears to be that the standard of lighting provided was the responsibility of the railway. The lighting installed soon after the commencement of the war was specified by the Government, but difficulty arose through failure on the part of the public to keep blinds drawn in blackout hours with consequent delay to trains. This, together with the serious loss in blinds, bulbs shades, and other fittings due to malicious damage and theft resulted in the introduction in certain areas of a new type of lighting known as strip lighting. The authorities have now relaxed the lighting restrictions in trains on certain local and suburban services. The provision of the new standard of lighting will, however, require some time to complete due to difficulties in regard to labour and material.

Permission has been given to increase the size of lettering of the names of stations

on platforms and signal boxes which will lessen considerably the difficulty of discovering one's whereabouts.

Improved Turn-Round of Wagons

I told you last year about the inter-company freight rolling stock control. This organisation has been successful in reducing very largely the movement of empty wagons. The ideal that every wagon in transit should be a loaded one is impossible of achievement, but the railways have, by introducing inter-company control, made a great step in that direction.

The pooling of privately owned wagons has, by the co-operation of the colliery associations, made possible a national scheme for providing on an equitable basis the supply of wagons to collieries. From this has developed the carriage of coal in block-train loads from producing to receiving areas, thus avoiding the use of marshalling yards and reducing the time on journey. Running, terminal, and private siding facilities are continually under review with the object of improving the turn-round of wagons. Following the campaign for a quick turn-round, the number of wagons standing under load for more than 48 hours has shown an appreciable decrease.

Locomotive Position

Whilst there was a slight improvement in the available stock of locomotives during 1942, compared with previous war years, the position continued to be difficult in view of the heavy traffic passing. Further steps have been taken to increase the stock available by reducing the time locomotives are under and awaiting repair, both in our workshops and motive-power sheds. Nevertheless, it has been necessary at times to postpone the working of freight trains in order to release locomotives required for special purposes and to replace high-powered locomotives employed on normal trains by less powerful types.

Train Accidents

In spite of the difficulties of operation under war conditions, a gratifying feature of 1942 was that no train accident occurred involving fatal injury to a passenger.

Claims for Loss and Damage to Goods

I referred last year to the appalling dimensions which wholesale robbery and petty pilferage had reached. In spite of every possible precaution, we have not been able to do more than arrest the growth of losses, and I regret that the situation still shows no absolute improvement. Every practicable step that can be devised has been and is being taken, but the general slackening in moral standards that is an almost invariable concomitant of war, persists, and until public opinion condemns dishonesty, the evil will continue.

Chief Civil Engineer's Department

The main problem has been to maintain the condition of the permanent way and buildings with the reduced material and labour available. This has been accomplished with a great measure of success. Restrictions in the use of materials for structural work have created many difficulties and led to much extra work in designing and redesigning in order to utilise all available substitutes. The excellent condition of the permanent way to-day after three and a half years of war is an eloquent testimonial to the quality of the work of the Civil Engineer's Department and to the unflagging supervision and care of the platelayers on the line, so that the amount of relaying carried out, although below peacetime average, has been sufficient up to the present to avoid the neces-

sity for imposing any speed restrictions. The position in this respect is much better than it was in the corresponding period of the last war.

Fuel Economy and Efficiency

The drive for economy and efficiency in the use of fuel has been vigorously kept up. For this purpose the line has been divided into 20 areas, each with a fuel efficiency officer, who keep continuous watch on the expenditure of coal. On the railways the locomotive is by far the largest user of fuel, and firemen are instructed in the scientific method of controlled firing. Motive power depot consumption figures expressed in lb. per mile are exhibited in the engine sheds to enable engine crews and shed staffs to see how much they have saved. A review of all fuel-burning plants in the workshops has been completed, resulting in measures which have effected considerable increased efficiency and economy. Installation of regenerative systems in furnaces is yielding from 10 to 15 per cent. saving in consumption. Other general schemes effecting economy are the reduction in the period of steam heating of trains; "coasting" of electric trains into stations; reduction in office temperatures and waiting room fires, etc.

Air-Raid Precautions

During the year there has fortunately been little opportunity to test our air-raid precaution arrangements. There has, nevertheless, been no falling off in the high degree of efficiency now attained. Full-scale trials and demonstrations have been carried out up and down the line for carrying out repairs to the railway where liquid blister gas has been used and valuable experience has been gained. For fire-prevention we are well supplied with anti-fire devices and equipment of many kinds, and with night fire-prevention squads.

Home Guard

L.M.S.R. units of the Home Guard throughout the country are being maintained at full strength. By the nature of their calling, railwaymen understand the need for steadiness and discipline, and they have taken readily to their role as soldiers. I should like to pay a tribute to members of the staff—and there are many thousands of them—who have undertaken voluntarily to devote much of what used to be their leisure time to training for both the active and passive defence of the country. I have seen them on parade and at field exercises and can assure you not only of their thoroughness and efficiency, but of their continued keenness.

Hotels, Refreshment Rooms, & Dining Cars

Some of our hotels have been requisitioned by the Government. Those which remain under our control in common with other similar establishments in the country, are working to capacity. The problem of supplying reasonable refreshments to the travelling public is not an easy one. In the first place, there is the difficulty of getting provisions, and secondly, there is the task of dealing in refreshment rooms built for only peacetime traffic with wartime crowds, swollen by passengers who, before the war, took meals in dining cars, most of which we have now been compelled to withdraw from service. Travellers doubtless realise how admirable is the work done by the attendants in the refreshment rooms, who have to deal with this abnormal volume of business. Those who use the few dining cars which remain in operation will, I am sure testify to the willingness of the staff whose resources are taxed to the

utmost and who retain their good humour and civility under great trial.

Research

Our research organisation is being kept busy with day-to-day problems brought about by war conditions and shortage of many of our usual materials, but at the same time some of our more fundamental investigations are being continued. Methods of detecting and thus preventing flaws and failures have always received very close attention, and particularly useful results have crowned our efforts to develop a method for detecting incipient flaws in axles long before they can be a source of danger. The Chief Mechanical Engineer is now installing the necessary apparatus for the routine testing of axles in this way at the various carriage works.

The investigation started before the war at the request of the Chief Engineer to study stresses in the permanent way, has been diverted to examining—in collaboration with the Department of Scientific & Industrial Research—the performance of various types of concrete sleeper for use in place of timber. With a new and composite material such as reinforced concrete, more accurate knowledge of the stresses to be resisted both by the steel and the concrete is essential.

Rating

Negotiations have been in progress between the four main-line railway companies and the Railway Assessment Authority concerning the companies' valuations for rating in England and Wales for the five years from April, 1941. Perhaps not altogether surprisingly there was some divergence of view between the authority and the companies as to the amounts of the new valuations. In view, however, of the desirability, under present conditions, of avoiding protracted litigation, valuations which have been agreed, although higher than those previously in force, have been accepted by both sides, it being understood that neither the authority nor the companies are thereby prejudiced in future valuations.

Staff

You will naturally want to hear something about the staff. The number employed last year averaged 236,000, compared with 231,000 in 1938. The average salaries and wages bill is £62½ millions a year and that for the year 1938 was £41½ millions.

As I have already told you, the number of our people in the fighting services is 34,000. The gap so caused has been filled largely by the recruitment of women, of whom there are now over 36,000 in our service. The occupations in which these women are employed include, in addition to clerical work, those of porter, ticket collector, crane driver, horse and motor driver, machinist, fitter, engine and carriage cleaner, as well as many unskilled types of work in the workshops and at stations. Women are also employed on maintenance work on the permanent way and on concrete block making.

During the past year there were a number of acts of gallantry in face of enemy action by members of the staff whilst on duty, and seven of our men were recommended for national awards. Two were awarded the George Medal and one the British Empire Medal, and four were commended. One of the company's staff was also awarded the George Medal for gallantry in saving, at great personal risk to himself, a woman employee who had been knocked down and fallen under a moving train.

In addition to the provision of canteens at factories and at docks, the company is extending canteen facilities all over the

line. Arrangements for the provision of these are proceeding, as fast as possible, under the limits imposed by the general scarcity of labour and materials.

Red Cross & St. John Penny-a-Week Fund

Since the inauguration of H.R.H. the Duke of Gloucester's Red Cross & St. John Penny-a-Week Fund in the early part of 1940, members of the company's staff have contributed the sum of £85,000.

An L.M.S.R. Prisoners for War Comforts Fund was inaugurated in July, 1942. Voluntary contributions of a penny a week made by all grades of the staff amount to £16,000. The fund has enabled quarterly personal parcels to be sent to the prisoners. In addition to these, a monthly supply of cigarettes or tobacco and books are sent.

Railways and Government

It is impossible within the limits of this report on the activities of our railway to give more than a short summary of the past year's achievements. In this summary I have given you, as it were, only the headlines. Behind these lies the immense amount of work of every kind that is going on day and night, year in, and year out. Ours is a business that knows no rest, no stop. It covers every form of transport, by rail, by road, by sea, by air, and by canal—and for its successful operation it includes almost every form of human endeavour. The ramifications of a great railway like ours are widespread and call for a high degree of skill in management and operation. That in spite of the special difficulties that present conditions necessarily produce, with increased and increasing demands for transport on the one side and reduced means available for meeting them on the other, our railway system has never failed to respond to every call made on it, is a triumph of organisation. The railways have shown themselves to be a highly efficient instrument of transport in war as well as in peace.

One would suppose, and all reasonable people would expect, that in view of their importance to the community the railways would receive at all times sympathetic treatment from His Majesty's Government. They have proved to the hilt that they are an essential element in the social and industrial life of this country. The national war effort, for example, would have been dangerously handicapped were it not for the fact that in the railways the country possessed a highly organised and efficient transport machine in first-rate physical condition. The Secretary of State for War explained to Parliament only last week that the railways had met most of the rail transport needs of the Army. So far, however, from being helpful, successive Governments have made the work of the railways more and more difficult.

Large portions of the railway did not even pay the cost of operation. Regarded simply from the point of view of our personal advantage it would have paid us to abandon whole sections of the line. We however, knew that to do so would have serious repercussions in the event of war. We therefore carried on, though greatly to our disadvantage, and it was fortunate that we did so. To-day these sections are of primary strategic importance: which reflection is so far our only reward.

I referred earlier to the results of working the company's railway in Northern Ireland. It is carrying a very heavy traffic and carrying it with great success despite the damage to it by enemy action, which has now been made public. As late as the summer of 1939, while we were busily engaged in completing our preparations for what happened

in September of that year, a joint committee of the Houses of Parliament in Northern Ireland stated that the railways there were not essential for troop movements in time of war. The position, of course, is that the railways of the company in Northern Ireland, like those in Great Britain, have been invaluable in the war effort of the nation. The fact that the Northern Ireland figures are separately available illustrates the position there, but it is in no way different from that in other parts of your undertaking in Scotland and elsewhere. In the north of Scotland before the war, because of the lavish expenditure of public money on providing roads and the laws regulating railway charges, the continuance of many miles of railway had no economic justification if the existing road conditions continued. It is fortunate indeed for the nation that the policy of weakening the railways in times of peace, to which my predecessor referred six years ago, did not stop the progress and improvement of the vital railway machine. The lines I have in mind were not closed down but were continued in being at the expense of the shareholders, an expense which I regret still continues in Great Britain where the net revenue accruing to the shareholders is based on the pre-war results. I hope to revert to the future aspects of this matter on a later occasion, when it can be discussed more fully, unhampered by the circumspection required during hostilities round our shores.

The story of the attitude of Parliament to the request of the railways for powers, which most of them did not at that time possess, to extend their transport operations to the road is another instance of hostile bias. Road-motor transport at that time was a new thing, but the railways foresaw that it would become a fundamental part of the transport system of the country and quite properly desired to take a part in its development. As far back as 1921 the railways sought to have road powers in the General Act of that year but were refused. A year later, a Bill was promoted in Parliament to obtain the necessary powers, but it was so mutilated by a number of amendments of a crippling character that it became useless from a railway point of view and was dropped. Not until 1928 could the powers be obtained.

Then again, in order to help certain industries, a Bill was passed to give them relief from local rates. The railways were surely as much entitled to this form of relief as any other industry. Following, however, the precedent of unfair discrimination that it had itself set, the Government denied to the railways and compelled them to pay over to certain designated industries the relief that should have been theirs. Furthermore, they were hampered by a number of statutory obligations and limitations which were reasonable when the railways had monopoly, but were entirely out of place in an era of unrestricted competition where all monopoly had ceased to exist.

As a result of all these and other injustices, the railways naturally found their position very difficult. We had to choose whether we should make dividends our first consideration at the expense of efficiency or *vice versa*. We chose the latter course, and we did, in fact, improve immensely the physical condition of our property, but at the expense of the stockholders. Many of us for years have had to content ourselves with the knowledge that the money we might in ordinary times have received by way of dividend was being spent to keep our property, the railway, in perfect order. Just when we might reasonably have expected to see some reward for our conservative policy, war broke out, the Government took over the railways,

and it was the community and not the stockholders who reaped the benefit of a railway system that has proved capable of bearing all the enormous demands made on it. As a final travesty of justice, the self-denial of the stockholders in the matter of dividends was actually quoted against them as an argument for cutting down the price paid by the Government for the use of the railways.

There is a real danger to the country if the importance of the railways is not properly appreciated. Before the outbreak of war it certainly was not understood, and there was a fairly wide belief that railways were becoming, if indeed they had not already become, obsolete as the main means of transport, and that the interests of the country would be best served by an intensive development of the road as against the rail. The fact that the British railways carry the great bulk of essential traffic in this country is not, I think, sufficiently realised by the public. Before the war, the passenger journeys represented some 20,000 million miles of travel, and the freight traffic 17,000 million ton miles, apart from live stock, and the huge quantity of parcels, milk, mails, and luggage carried by passenger trains. The importance of this railway effort as part of the normal life of the country is striking, but it is even more striking now with the national effort in this great war. Last year the passenger traffic increased compared with pre-war conditions by a further 10,000 million passenger miles and the freight traffic by a further 7,000 million ton miles.

The fact is that, as successive Ministers of War Transport have said, the railways are, and must, I believe, always be, the backbone of the country's transport system. That does not mean that the road is not also a highly important and essential factor. Because of the flexibility and the variety of the units operated whether for passenger or goods, it is able to give facilities that the rail cannot give. In any scientific organisation of transport it will be recognised that the road and rail are not competitive but complementary the one to the other and a frank recognition of this is a necessary preliminary to an economic and ideal system of transport.

Since railways are an essential factor in our transport system, it would be a national misfortune if they were subjected in the future to the handicaps under which they laboured in the past. It is vital to industry and to all of us in our daily lives that our railway system should be as perfect as it can be made. Any action that would affect injuriously its capacity for service would react most unhappily on the whole country.

Looking back over the years we can say with truth that we have survived and developed by our own energies and our own alone. The critics who allege that private enterprise is solely concerned with making profits might well examine the record of this company's public service.

The Chairman then moved the adoption of the report and accounts.

Stockholders' Remarks

Sir Charles Stuart Williams (Railway Stockholders' Association) said that there were no remarks which the chairman had made which would have been received with greater satisfaction than the criticism of the Government's attitude to the railways in the past and in the present. A position such as existed today, when a large undertaking like this, which had been owned, maintained, and improved during the difficult years between the wars to the extent of nearly £300 millions out of the total capital and expenditure in the neigh-

bourhood of £1,000 millions, and which was now earning, as was believed, net profits approaching £85 millions—that position was indeed a travesty of justice, when the total amount which stockholders could draw from that magnificent result was some £38½ millions. The railways were being treated unfairly, not only in themselves, but as against many other undertakings. Not only was there the basic fact of the Government's taking over the whole returns over and above the E.P.T. standard but there was the extraordinary way in which the junior stockholders were now suffering. The average return taken over the total capital on the basis of standard revenue was 4·7 per cent.; out of that 4·7 per cent. the senior stocks, which now included only those earning their full amount and therefore did not include certain junior preference stocks, took 2·7 per cent. That would leave on the standard revenue 2 per cent. for the junior stocks. What was happening now? The total average return over the entire capital finance was not 4·7 but 3·6. The senior stock would require 2·7, and that left only 0·9 per cent. for certain junior preference and for the whole of the ordinary, preferred, and deferred stocks. That, of course, was entirely inadequate, and one had to look at the result against the background of some £85 millions of net revenue. It was not, therefore, merely unjust in itself; it was deeply unjust to the junior stockholders, who, he imagined, were those principally concerned and represented at this meeting. If the position was compared in regard to railways and other public utility companies with that enjoyed by commercial companies in the matter of war risk insurance, discrimination would be found. If he had a house, the annual value of which was £100, he had to pay £50 over a period of five years. That gave him insurance against war risks; but what did the railways have to pay? They were not merely in the same position of having to pay half of their annual value—not at all—they had to pay half of the total war risk bill, the total war damage bill—in other words, they did not get the national insurance which the ordinary householder or the ordinary commercial company enjoyed, and that, we submitted, was discrimination against railways as public utility companies. Then there was another point, and that was in regard to excess profits tax. Commercial companies now had the statutory right of setting aside 20 per cent. of the excess profits tax for the future, the post-war years, which would be difficult enough. Railways did not get that advantage. It was true they were allowed to put into a fund the amount of money which they could not now spend on maintenance; that might include an adjustment for prices but it did not include many other considerations which would arise. It did not allow for the obsolescence of much which might have been used before the war but which would not be required in the same shape or of the same character after the war. It might be, for instance, that one of the engines which had been sent abroad would not be required after the war, and what would be required would be, say, transport aeroplanes. It did not make any provision for obsolescence of that type, and therefore in another respect also railways were being discriminated against as compared with commercial companies. Now, it might be said: "It is all very well to say all this, which is perfectly true, but the position is hopeless; the Government has given its decision and nothing more can be done about it." Was that correct? We submitted it was not. Only recently an announcement had been made of a definite improvement in regard to certain types of

shipping and the payments made by Government. Then, road interests had recently rejected the Government terms. Was not it reasonable to say that the boards of these railway companies should quite definitely put before the Government their strong and overwhelming case which they had and which stockholders would definitely support with every effort in their power. The whole difficulty would lie in the House of Commons. Those who read the last debates would have read with feelings of some disappointment the case for the railways which was then made in the House. It was not a good case. Apparently Mr. Speaker had seen about half a dozen Members sitting there from the Left to one of whom he saw sitting on behalf of the reasonable interests of stockholders, and the result had been very disappointing indeed. More should be done in the matter of publicity and propaganda. Railway boards had paid high tribute in the press to the splendid work done by the railway staffs, and that all admired and endorsed in every possible way. But they themselves had a good case; they had the case which the Chairman had briefly outlined in his speech; that case should be put up before the country and the public and the House of Commons with as much strength and vehemence as the board could reasonably command in time of war.

Mr. W. J. Stevens said he felt the meeting should support what the last speaker had said. Was it tolerable, wise, reasonable, sane, that a great company like this doing a record amount of work for the country, not for its shareholders, should be in such a position that its stockholders, nominally entitled by Act of Parliament to a dividend of 8 per cent., should be receiving only 2½ per cent., and that its discount on its ordinary stock was 70 per cent.—6s. in the £? Was it possible for any commercial undertaking now or after the war to carry on on commercial lines with its stock of £95 millions quoted at 70 per cent. discount? What was the explanation? The country undoubtedly realised by this time in a very belated way that the railways were indispensable to the country in peace as well as in war, and if the directors, in view of the attitude of Parliament chose to repudiate the agreement the stockholders would support them.

Councillor John Wilson said that he hoped that when the time came when rolling stock had got to be put in order it would not be done as it had been through the Railway Finance Corporation, when the bankers and vested interests had unloaded £27 millions of debentures on railway assets, and down had come the stock to about 12 on the Stock Exchange. The Stock Exchange knew quite well what would happen; it was not actually worth more than 29 paying 2½, because at the end of the war there would be millions unloaded through that Railway Finance Corporation on to the railways, and that would be priority stock. With regard to the balance sheet, under Section 91 of the Companies Clauses Act, 1845, it was not only the privilege but the duty of this meeting to fix directors' fees or gratuities, the Secretary's salary and the Auditors' remuneration. On the balance sheet there was no indication of the Directors' fees; there was no Secretary's salary declared, nor Auditors' remuneration. The statutory meeting had been held since the last annual general meeting to acquire Thomas Cook & Son for a limited sum of £450,000 payable at the rate of £150,000 a year for three years. The Bill had been put through the House of Commons in unlimited form, and in *The Financial Times* the guarantee of the four companies was

limited to £450,000. At the L.N.E.R. meeting he had asked the Chairman if he would explain why it was done, and the Chief Legal Adviser had said: "The reason why it has been done is because if we wanted any more money we should have to have another Bill and another inquiry." That was the explanation. Perhaps the L.M.S.R. Chief Legal Adviser might explain if it was any benefit that it should be done or why it had been done.

Mr. Ashley Cooper said that he had been present when Mr. Wilson had raised the question of Thomas Cook & Son. The explanation that had been given by the company afterwards entirely satisfied the British Railway Stockholders Union that it was to the interest of the company's stockholders that it should go through.

Mr. Ernest Short said he would like to support on behalf of the Stockholders' Union what Mr. Stevens and Sir Charles Stuart Williams had said. If there had been one single sentence in the chairman's speech with which he had felt a profound lack of sympathy it had been the sentence in which he said that he would speak later about some of these matters in fuller detail. The note of indignation ought to be sounded now and sounded as frequently as possible. Two years ago, when the question of the second agreement with the Government had been first mooted, Lord Stamp had said that the second agreement would not be less favourable than the first to the stockholders. When the figures of net revenue had been published in April after the meeting of last year, it had been quite plain that the position was infinitely worse than under the first agreement. That was a point the directors should make again and again. If there was a note of indignation, there was also a very strong note of fear. It was feared that if this unfair discrimination was perpetuated, it would be perpetuated in any settlement that came after the war.

Mr. A. V. Williams said he was an artisan in the employ of the company, and referred to waste in South Wales.

The Chairman: I am familiar with this question, because you have been good enough to send it to me in writing, and I am perfectly prepared, either with you personally or with anybody you like, to go into this matter, but it is not quite relevant to the affairs of this meeting, and I would ask you to deal with it outside.

Mr. C. A. Schierwater said it would be interesting to know whether the directors considered that the present agreement was more advantageous to the shareholders than the previous agreement, because in view of the facts which had since been published, as far as the ordinary shareholder was concerned, it did not look as though the present agreement was as beneficial as the previous agreement. He knew that the directors naturally did their best for the company to get the best agreement they could from the Government, but he wondered whether they really thought that that new agreement was better than the previous one.

Mr. J. G. Lobbett said that there was a statement about capital in the balance sheet, and there was a balance of £32 millions. It seemed to say that the company had spent some £4 millions odd and that it had received £32 millions less. Was that so? What was that £32 millions?

The Chairman: That is right.

Mr. Lobbett asked what was the money? The amount of capital in each separate holding was not stated in the accounts. It said: "Capital account balance," and he did not know what it meant. He thought, if it was put in the way in which an ordinary company put accounts it would be better—so much capital issued on one side and the

assets representing that capital on the other. He had noticed a ghost of a fighting element in the speech against the Government, and he thought it was about time. It had been said again the other day that the directors have got the union in their pocket, the Government had got the directors in their pocket, and the men had got the Government in their pocket. He would like very much to pick all those pockets if he could. When dealing with the Government if the directors came to the conclusion that nothing better could be done, could not they resign? The board of directors should say that it would resign if it did not get fair treatment.

A Shareholder: That would not affect the Government.

Mr. H. S. Chittic congratulated the chairman on a very interesting and instructive speech, and one that should make stockholders all feel that they were members of an organisation which had worked enormously for the welfare of the country. He wished that there could be a little more financial return, but he did not think stockholders should for that reason not acknowledge their feelings that the board had acted in their interests under extremely difficult conditions. As regards the suggestion of the last speaker that as a protest against unfair treatment the directors and the chairman should all resign *en masse*, he thought that that would be an extremely dangerous action. What would the Government do? It would not let the company go on without any direction. He would suggest that the directors might consider whether it was still necessary to continue the practice of inviting proxies. Apparently it was restricted to stockholders with a certain minimum holding and no doubt the object was to get a quorum; but judging from the number of stockholders present and the prospect of hearing so interesting discourse as they had had, he did not think that that reason operated very strongly, and he suggested that during wartime would be a suitable time to give up the practice, which involved a certain amount of expense and unnecessary correspondence.

Mr. J. E. Allen said that some weeks ago he had sent a resolution to the Secretary of the company, and he had been told that it was too late. It was: "That this meeting of the London Midland & Scottish Railway shareholders records its surprise and indignation at the concealment by order of the Chancellor of the Exchequer and the Minister of Transport of the £67 million—or it may be £65 millions—actually earned by the four main-line companies in the year 1941. Thereby shareholders were induced to assent to the new agreement and they now declare that they do not accept agreement as a fair payment for the use of their property and they demand that there shall be a review of this agreement by an impartial judicial body which will take account of the extra work done by the shareholders' property and the services that they themselves rendered to the nation in time of war." In 1914-15 the then Chancellor of the Exchequer and the then President of the Board of Trade had agreed to pay £50 millions a year in gold less income tax at half-a-crown in the £—say £43 millions, all in gold. Now the railways were being paid £38½ millions or £39 millions in paper money less income tax of 10s. in the £; the Chancellor of the Exchequer could get rid of his liability to the four main-line companies by a quarter of the real payment which had been made in 1914-15. The great danger of accepting that £38½ millions was that if, at a not very distant time, there should be a Government in power which

wanted to buy out the railways it might say: "Oh, you accepted £39 millions a year as the value of your property. We will give you 20 years or 25 years purchase, £780 millions or so, for your property." But as a result of the change from gold to paper the replacement value of the property had at least doubled. Several years ago Lord Stamp had said that the replacement value of the main lines would be £1,500 millions.

Mrs. Margaret Alexander thanked the Chairman for his very clear, lucid, and interesting speech. When the stockholders left the building everyone of them would feel: "Well, the money that we have invested and the railways we own have been able to do a very great deal for us. They have helped the country magnificently."

The Chairman: If there is nothing else to be said, I will now move the resolution that you have heard read and which has been duly seconded by Sir Robert Burrows. Will those in favour kindly indicate approval in the usual way?

(The resolution was put to the meeting and declared carried unanimously.)

Mrs. Bunney: May I just say one word? The Chairman: It is not in order, but perhaps you will be very brief.

Mrs. Bunney: A few years ago I spoke to Lord Stamp, whom I very much admired, about directors' fees and so on, and I asked whether it was necessary to have so many directors on our board. He said: "Well Mrs. Bunney, it would only make the difference of one sandwich to me." But I do think as things are now it should be possible to do with fewer directors and to have them younger.

The Chairman: We are obliged by law to have sixteen directors. Then I come to the next resolution, which is:

"That final dividends for the year ended December 31 last be hereby declared (less income tax) as follows:—

£2 per cent. upon the four per cent. guaranteed stock,
£2 per cent. upon the four per cent. preference stock,
£2 10s. per cent. upon the five per cent. redeemable preference stock (1955),
£2 per cent upon the four per cent. preference stock (1923),
and a dividend for the year of
£2 10s. per cent. upon the ordinary stock."

Sir Robert Burrows: I have much pleasure in seconding that resolution.

(The resolution was put to the meeting and declared carried unanimously.)

The Chairman: Now I come to the third resolution: "That Sir Samuel Richard Beale, K.B.E., Sir Thomas Aubrey Lawies Brocklebank, Bt., Sir Francis L'Estrange Joseph, Bt., K.B.E., D.L., the Rt. Hon. the Earl Peel, Alexander Murray Stephen, Esq., M.C., the Rt. Hon. Lord Wigram, P.C., G.C.B., G.C.V.O., C.S.I., be, and they are hereby, re-elected directors of the company."

Sir Robert Burrows: I have very great pleasure in seconding the resolution.

Councillor Wilson: Mr. Chairman, on a technical point, the directors must be put up individually, because otherwise it would deprive some of the shareholders of their statutory right of voting. I may want to vote for four of them, but not for two of them.

The Chairman: You are perfectly in order, of course, and if you want a poll you shall certainly have it.

Councillor Wilson: If you please.

The Chairman: But I will now put up the directors separately: Sir Samuel Richard Beale, K.B.E.?

Sir Robert Burrows: I second.

(The resolution was put to the meeting and declared carried.)

The Chairman: Sir Thomas Aubrey Lawies Brocklebank, Bt.?

Sir Robert Burrows: I second that.

(The resolution was put to the meeting and declared carried.)

The Chairman: Sir Francis L'Estrange Joseph, Bt., K.B.E., D.L.?

Sir Robert Burrows: I second that.

Councillor Wilson: Mr. Chairman, I must oppose any director being elected who is over seventy years of age. I do not want it to be taken, with all due respect to age, that I am against the election of Sir Francis Joseph for any other reason, but there is a period in our lives when we all become extinct volcanoes. Now, I am going to say this. I do not want this meeting to be adjourned if possible—I do not want to do that—but I am going to be satisfied that you will act according to the vote that is registered. I am not making any insinuations against Sir Francis Joseph, because all my admiration goes out to this gentleman—a proved success in life and a very useful servant—but do give the younger men a chance.

The Chairman: Do I understand that in the case of Sir Francis you accept the decision of the majority that he be re-elected?

Councillor Wilson: Yes; I am not wishing to adjourn this meeting, because I know you have got proxies, and I am wasting your time, my time, and everybody else's time; but if I were in a position to take a proxy, that is, if I could afford it—it costs £2,500—I would take a proxy upon that particular point. I am quite willing to be guided by whatever the meeting may think.

Mr. H. D. Leather: Might I remind Councillor Wilson of one fact in regard to age in general and in regard to people of seventy and over in particular? I believe it is a fact that the great French civil engineer, M. de Lesseps, who was responsible for the Suez Canal, completed the work after he was seventy, and he also had ten children after he was seventy years of age!

The Chairman: May I take it that those present will re-elect Sir Francis Joseph?

(The resolution was put to the meeting and declared carried.)

The Chairman: You have made a very wise decision, I can tell you from my personal knowledge. Now I beg to propose that the Rt. Hon. The Earl Peel be re-elected a director of the company.

Sir Robert Burrows: I second that.

(The resolution was put to the meeting and declared carried.)

The Chairman: Alexander Murray Stephen, Esq., M.P.?

Sir Robert Burrows: I second that.

(The resolution was put to the meeting and declared carried.)

The Chairman: The Rt. Hon. Lord Wigram, P.C., G.C.B., G.C.V.O., C.S.I.?

Sir Robert Burrows: I second that.

Councillor Wilson: There again—over seventy years of age. I must oppose it even if I am defeated, and I am going to stick to my policy until it becomes effective.

The Chairman: Those in favour of the re-election of Lord Wigram please hold up their hands.

(The resolution was put to the meeting and declared carried.)

The Chairman: He is not seventy. I declare him formally re-elected. Now, the fourth resolution has to be moved from the body of the hall, and it has to do with the

appointment of the Auditor of the accounts of the company.

Mr. Stevens: Mr. Chairman, Ladies and Gentlemen, I beg to move: "That Fred-eric Ditchfield Morris, Esq., be, and he is hereby, re-elected an Auditor of the Accounts of the Company."

Mr. H. C. Jenkins: I beg to second that resolution.

Councillor Wilson: Speaking on the resolution, Mr. Chairman, before the Auditor can be adopted by this meeting his remuneration must be stated. I am not going to oppose the amount, but what statutory rights still remain to us proprietors must be given fair consideration. Section 91 of the Companies Clauses Act definitely lays it down that it is not only the privilege but the duty of you people here to approve of Auditors' remuneration, Directors' fees, and Secretary's salary.

The Chairman: My expert advice is that this has been all cast on the railway companies and has been laid down by the Statute. We will not start an argument about it, but I think that is the position.

Councillor Wilson: Mr. Chairman, I have a right to speak. If the Minister of Transport is here in this room, I defy his

authority to give you directors the privilege to take moneys out of the company not approved at the annual general meeting under the Statute. Directors' fees, or gratuities if you like, the Secretary's salary and the Auditors' remuneration must be fixed at this meeting. If they are not fixed, then action will have to be taken. The last time I took action was on the position of directors who are also directors of other incorporated joint stock companies and trading directly or indirectly with the company or acting in a position in which their interests and duties were in direct conflict, and the Judge explained to me in the most charming manner that when directors are trading with the company they sit back and they do not vote.

(The resolution was put to the meeting and carried).

The Chairman: Perhaps I might, before we disperse, be allowed on behalf of my colleagues, and speaking also for myself, to thank you most sincerely and most cordially for the kind words that some of you have been pleased to speak on our behalf. On this very difficult question of the Government agreement in so far as

it affects remuneration of the railways on the financial side, as I say, that is a very difficult and very awkward position to handle. I do not think it is asking too much of you to ask you to believe that in any agreement that has ever been made on your behalf, whatever view we may have as to its adequacy or its justice, it is the best we could get in the circumstances. I thank you all very much, Ladies and Gentlemen, for your attendance.

Mr. Leslie Boyce, M.P.: Ladies and Gentlemen, I am sure it would be the wish of those present to record a very hearty vote of thanks to our Chairman for his very informative and satisfactory address, and also to thank him, the President, the Vice-Presidents, the directors, and the management for their work on behalf of the company.

The Chairman: Thank you very much. We now adjourn.

Councillor Wilson: I must give you notice that I shall appeal to the High Court on the technical point that you have refused to give particulars of the Secretary's salary and directors' fees.

(The proceedings then terminated).

London & North Eastern Railway Company

Efficiency of railways—Financial results—Increased pay to staff—Provision of training centres—Wartime traffic arrangements—Reorganisation of civil engineering work—Passenger traffic and train services—Flat rates for goods—Wagon standage schemes

The annual general meeting of the London & North Eastern Railway Company was held at Grosvenor House, Park Lane, London, W., on March 5, Sir Ronald Matthews, Chairman of the company presided.

The Secretary (Mr. W. H. Johnson) having read the notice convening the meeting,

The Chairman said, My Lords, Ladies, and Gentlemen, as you will have observed from the annual report, the company has sustained grievous losses by the death of Mr. George Sutherland, our Chief Accountant since January, 1936, and the retirement, through ill-health at the end of last year, of Mr. Buchanan Pritchard, the Chief Legal Adviser of the company since January, 1929, and Mr. P. J. Dowsett, who succeeded the late Mr. James McLaren as Secretary in January, 1938. It is impossible to over-estimate the value of the services rendered by these three gentlemen as heads of their respective departments, the work of which in each case has been enormously increased as the result of war conditions. You will be glad to learn that Mr. Pritchard's great ability and experience is not being lost to us altogether, and that while seeking relief from the more strenuous activities of company work, he has agreed to continue as Chairman of the Solicitors' Committee of the Railway Companies' Association.

A great many things have happened since last I had the privilege of addressing you. The whole outlook of the war has changed and the nation has been thrilled and stimulated by the achievements of our arms and those of our Allies. Twelve months ago it might well have been thought that the railways were making their maximum contribution to the common cause, but when the call came for that extra effort which was to make those great achievements possible—for supplies are the backbone of military success—every ounce of ingenuity and endurance was brought to bear by every grade, and the records of 1941 were broken

one by one. I would ask those few surviving critics of railway efficiency whether they appreciate that, so effective and well equipped was the railway machine handed over to the Government at the outbreak of war, it has needed an expenditure equal literally to the cost of only a few hours of war, to provide the additional facilities necessary to handle this vast increase of traffic, flowing often in directions never previously contemplated. I venture to suggest that the State-owned railways of Germany can show no similar record of achievement. The nation recognises, I believe, fully and generously the extent of its obligations to the railways, but the public memory is proverbially short. It is the duty of each individual stockholder to see that the bouquets so lavishly bestowed to-day are not allowed to fade.

Financial Results

The net revenue for the year 1942 was £10,700,599 which is an increase of £53,572 or $\frac{1}{2}$ per cent. compared with the year 1941. The net revenue is made up of £10,136,355 which is the company's share of the annual payment for the use of the railways made by the Government in accordance with the Railway Control Agreement, together with an amount of £564,244 obtained from items excluded from the Railway Control Agreement and consisting mainly of interest and dividends from our investments in bus and road haulage companies. The balance brought forward from the previous year was £86,675, making a total sum available for distribution of £10,787,274. After providing for all fixed charges, the payment in full of the dividends on the guaranteed stocks and setting aside £200,000 to the fund for contingencies, the directors propose to pay full dividends on the 4 per cent. first preference stock and the 5 per cent. redeemable preference stock (1955). This leaves a balance of £1,814,708, which

enables a dividend of $1\frac{1}{2}$ per cent. to be paid for the half-year on the 4 per cent. second preference stock, making, with the interim dividend of 1 per cent. already paid, $2\frac{1}{2}$ per cent. for the year, as compared with $2\frac{1}{2}$ per cent. for 1941, and leaves a balance of £78,476 to be carried forward.

Staff

At the end of 1942 nearly 27,000, or approximately 15 per cent., of the company's pre-war staff were serving with the Forces. It is with deep regret that I have to tell you that, from the latest reports in our possession, 333 have been killed in action or died on active service since the outbreak of hostilities and 599 are prisoners of war or reported missing.

Stockholders will have noted with satisfaction that on the home front His Majesty the King has graciously recognised the gallantry and devotion to duty of thirteen members of the company's staff by the award of one George Medal, one British Empire Medal, and eleven official commendations. The L.N.E.R. Medal, which marks acts of signal courage and resource not performed in connection with enemy action, has been awarded to three members of the staff.

War Advances

War advances were increased during the year 1942 by £13 12s. to a total of £41 12s. a year in the case of salaried staff with salaries up to £500 a year, by 5s. a week to the present total of 16s. a week in the case of conciliation staff, and by 4s. a week to the present total of 16s. a week in the case of shop staff. These amounts relate to adult male workers whose rates of pay are governed by arrangements applicable to the railway industry generally. Proportionate increases were granted to women and juniors. Apart from these increases in the amount of the war advance, certain sections of staff received other increases in pay during 1942. The lower paid grades of adult conciliation staff and shop staff received increased rates, the biggest increase (which applied to the lowest paid grades) being 4s. a week. Compared with the beginning of 1940, when war advances were first paid, the rates of the lowest paid grades have thus been increased by 20s. 6d. a week, made up of 16s. war advance and the 4s. I have just mentioned.

Signalmen, certain grades of staff em-

played at railway-owned docks and junior staff in conciliation grades also received increases in pay in 1942 in addition to the war advance.

During the year considerable progress was made with the provision of canteens for the staff. At all the main workshops fully equipped canteens have been brought into use and are giving satisfactory service. The construction of a number of canteens for the use of the staff in the traffic and engineering departments has also been authorised; three such canteens were operating before the end of the year and others were nearing completion.

Station Accounts Training Centres

A considerable number of the company's clerical staff, both male and female, have been called up for service with H.M. Forces. Most of these have had to be replaced by women or boys with no previous experience of station work and accounts. In view of the importance of providing experienced clerks within a relatively short time, it became necessary to make special arrangements for giving to the new entrants suitable instruction in the basic principles of station accounts work.

At several centres day classes have been held at which the new recruits to the service are given preliminary training by qualified instructors. It became apparent, however, that something in the nature of an intensive course of instruction should be provided and the first of our clerical training schools was opened at Scarborough on July 13, 1942. Between twenty and twenty-five pupils can be accommodated at the school at one time. The course extends over a period of four weeks and covers booking office, parcels office, and goods station work and accounts. Since its inception, forty male junior clerks and 104 women and girl clerks have attended the training school at Scarborough. A second school was opened at Whitley Bay on October 26, 1942. Eighty-two women and girl clerks have so far taken the course and the next course will be attended by male junior clerks recently taken into the service. The results achieved by the students attending these schools have been consistently good and the training they have received is undoubtedly improving the efficiency of the company's clerical staff in these difficult times. A further school was opened near Hertford on February 15, 1943. Plans are well in hand for the establishment of another school at Harrogate, and it is hoped to make a start early this month.

Wartime Traffic Arrangements

Wartime conditions have, as you can well understand, given rise to a variety of entirely new problems in connection with the movement of railway traffic. I am, of course, not in a position to describe to you in detail, the nature of the tasks which this company, in conjunction with the other railways of the country, has been called on to perform. The needs of the fighting services, of the huge war industries, as well as of the civilian population, depend to a very large extent on efficient transport. It has been our aim so to adapt our methods of operation as to meet these ever-growing needs, and to conform to the rapidly changing conditions of the war. To keep the whole of our traffic flowing evenly and rapidly, to minimise restrictions upon its acceptance and delivery, and to ensure the closest possible working with the other railway companies, has called for new departures in methods and organisation. One such departure has been the establishment, in London, of a Central Traffic Office, forming part of our headquarters organisation, but maintaining close touch with the operating departments in the three areas

into which our system is divided for traffic purposes. The establishment of this office has been of great advantage, and it has already shown itself to be a most valuable part of our wartime organisation.

Reorganisation of Civil Engineering Work

I should like to refer, at this stage, to a change which has been made, during the past year, in the organisation of the company's civil engineering work. Hitherto, this work has been divided on an area basis, with three engineers, each responsible to the appropriate Divisional General Manager. In order to secure the advantages of uniform standards of construction and maintenance, both of permanent way and structures, which will be applicable to the whole system, a Chief Engineer has been appointed for the whole line, directly responsible to the Chief General Manager, with area Engineers, at London, York and Edinburgh, respectively.

Mr. J. C. L. Train has been appointed the company's first Chief Engineer, and he commenced in his new post on December 1, 1942. This change in organisation puts the company's civil engineering work on the same basis as the mechanical and electrical engineering work. The concentration of responsibility in the hands of one Chief Engineer is highly desirable in view of the importance of the new works which are being carried out for essential war purposes and it will be even more so when we come to consider the problems of reconstruction, replanning, and development, which will confront us in the future.

Passenger Traffic and Train Services

By direction of the Minister of War Transport the issue of cheap day and certain other reduced fare tickets was discontinued on and from October 5, 1942. The effect was to discourage a certain amount of travel by the ordinary public, but there was a large transfer to monthly return and other descriptions of bookings. In addition to this, of course, we have been called on to carry a very large number of "Service" passengers, with the result that passenger traffic has continued at a high level throughout the year.

In order to conserve locomotive power and fuel, services have been curtailed wherever this could be done without affecting essential travel, but the volume of long distance travel severely taxed the capacity of the main line services. These could not be augmented due to the demands made by the heavy freight traffic on our stock of powerful locomotives. In May, in accordance with the policy of the Minister of War Transport, a further drastic reduction was made in the number of restaurant and buffet car services.

American Locomotives

A number of American-built heavy freight engines was received in this country towards the end of the year. These engines have already proved their worth in handling some of our heaviest freight trains.

Flat Rates

With the aim of reducing clerical work in connection with traffic for the account of the major Government Departments, flat tonnage rates were applied, from October 1, 1941, to all merchandise and mineral traffic for the carriage charges on which those Government Departments are responsible and early in 1942 other Departments were brought within the scheme. From December 1, 1942, a similar arrangement was introduced in respect of passenger train traffic. Separate rates

have been calculated for each Government Department, and these rates are applied to the traffic of the department concerned, irrespective of the nature of the traffic and the distance carried. The effect is to ease considerably the burden of clerical and accountancy work involved.

Wagon Standage Schemes

In an endeavour to simplify the operation of the demurrage regulations and to help in improving the turn-round of freight wagons, "wagon standage schemes" have been introduced at iron and steel works and at chemical works, with the approval of the Ministry of War Transport and by arrangement with the traders concerned. The introduction of these schemes, which, broadly cover all the inward and outward loaded wagons and the empty wagons supplied for outward loading, will, it is hoped, remove many of the difficulties that have in the past been experienced in connection with wagon demurrage.

Claims for Loss and Damage

The year 1942 has seen a continuing rise in the number and value of claims submitted. The increase has been particularly heavy in claims in respect of goods lost, stolen, or pilfered; there is undoubtedly in time of war a lower standard of public morality as regards robbery and pilferage, for which unfortunately the blackout in the streets and on railway premises and the shortage of material for the construction of satisfactory packing cases and containers offer additional opportunities, and the shortage of various rationed commodities additional incentives. Every effort continues to be made by our Police Department to check these losses, but I am afraid that only a change of heart on the part of the maulers will provide an effective solution of the problem.

War Damage

From my speech of last year it will be remembered that railway companies, with other public utility undertakings are, in general, excluded from the operation of the War Damage Act, 1941. The Chancellor of the Exchequer announced the Government's intention to introduce legislation to provide for payments in respect of war damage and the contribution to be paid by those undertakings. Since then the matter has been advanced by the issue of a White Paper in which the Government has formulated its proposals for this further legislation. Public utility undertakings will be divided into groups for the purpose of contributions, and railways will constitute one such group. The proposals are under examination by the four main-line companies and the London Passenger Transport Board and discussions are already taking place with the Government. At this stage, and until the proposed Bill is in draft, it is, I regret, not practicable to give any more detailed information of the complete scheme. As I said last year, the company's liability for war damage must be considered as being essentially a post-war problem. Although in the meantime no specific provision is being made, the incidence of war damage has been borne in mind again in preparing the accounts.

Steamships

Almost all the company's fleet of steamships and motor boats have been engaged in Government service throughout the year. The crews—including many members of the staff of the L.N.E.R. and associated undertakings who served with the vessels in peacetime—are doing magnificent service under hazardous conditions and letters of commendation have been received by the

company from the Lords Commissioners of the Admiralty.

Fuel Economy

The call for the utmost economy in fuel met with a ready response from the staff in all grades. You will appreciate that although savings in other directions are valuable, locomotive coal offers by far the largest field for economy. The proper application of principles established as the result of investigations during many years has enabled the company to surmount many of the difficulties which are inherent in wartime conditions.

Paper Economy

Strict economy has been exercised in the use of paper of all kinds and very substantial quantities are being recovered from old correspondence for use again. The tonnage of paper recovered and sent for re-pulping showed an increase of 27 per cent. over the figure for 1941, a result which could not have been achieved without the close co-operation of the staff.

Salvage

The drive to collect the maximum amount of salvage of all kinds has been intensified during the year by a special appeal to the staff, backed up by the institution, throughout the system, of salvage stewards, whose work is directed and co-ordinated by salvage masters. The efforts of those members of the staff who have, in addition to their normal duties undertaken the responsibility for organising and encouraging the collection of salvage are worthy of special mention. The results of their work are revealed in the increase in the volume of materials recovered. I have always felt that as a nation we have never been sufficiently salvage-minded, and it must be the duty of everyone concerned to see that the restraint imposed on us in the use of many materials under the stress of war-time conditions is not unduly relaxed when supplies become more normal.

Greater Demands to come

My Lords, Ladies and Gentlemen, we meet to-day in circumstances happier than a year ago, and great with promise for the future. Inexorably, irresistibly, the armed might of the Allied nations moves forward to the day when in the words of the Prime Minister justice stern and implacable has been done and no vestige of the Nazi or Fascist power is left. Still greater demands in the coming months will be made on the endurance of man and metal, and I have no doubt that in that supreme test the railways of Britain will play their full part. But I must take this opportunity to remind all those who use the railways that there is a limit to their capacity. Every unnecessary journey, every hour's delay in loading or unloading a wagon is a definite disservice to the National effort, and a postponement of the day of final victory. Believe me, I am not exaggerating; each individual act of thoughtlessness or selfishness may seem too insignificant to matter, but in a huge nationwide organisation the cumulative effect is tremendous.

Transport and the Future

There are, before I close, a few words which I must say to you in regard to the future. I have expressed to you on previous occasions my views as to the vital part which transport will play in the era of reconstruction and the need to avoid the errors of the last peace, which came so suddenly on a world all unprepared to deal with the problems which it brought. We shall not fall into the same errors a second time, but, however carefully we plan, we

cannot foresee the unforeseeable. And so, Ladies and Gentlemen, you will I am sure forgive me if, less bold than some of my fellow citizens, I do not lay before you at this stage a cut and dried plan for all forms of transport, national and international, to meet the needs of a brave new world. We know our goal, a higher standard of life for all the peoples of the world, but the means of achievement are as yet far from being clearly seen. Certain things, however, we know already, and one in particular, that if we in this country are to retain, and, as we hope, improve our standard of life, we must trade freely and on a greater scale than ever before with the whole world. That means, in a sentence, that we must be able to offer our products in foreign markets in the right quality and at attractive prices. Let no man cherish the delusion that other nations will be willing, or even able, to pay us prices above the world level simply to enable us to enjoy a higher standard than their own. I do not profess to be an economist but I am satisfied that low wages provide no solution to the problem. Volume and efficiency of production are what are required. The first can be achieved only by the provision of a prosperous home market, the second by the full encouragement of individual enterprise and initiative. The commission set up at the beginning of last year by the Railway Companies' Association is hard at work on many important aspects of railway operation, and I can assure you that the whole difficult problem of the relationship of the railways to other forms of transport, and of the part to be played by transport generally in the scheme of things to be, is under the closest and most careful examination by specially appointed committees. This war has proved, if any proof were necessary, the essential part that railways must play in the life of all civilised nations. It has proved, too, so far as this country is concerned, that our railways are able to carry efficiently a much greater volume of traffic than, as a result of archaic restrictions and regulations, they were able to acquire in pre-war years. However the transport services may be recast to meet post-war requirements, the significance of that aspect will, you may be sure, not be allowed to pass unnoticed.

My Lords, Ladies and Gentlemen: I have now to move: "That the report of the directors with relative statement of accounts for the year ended December 31, 1942, be adopted." I will ask the Deputy Chairman to second the resolution.

Sir Murrough Wilson: I have great pleasure in seconding that resolution.

The Chairman: Before I put the resolution, I should be very glad to answer any questions or to deal with any comments that are answerable, if stockholders will submit them to the Chair.

Stockholders' Remarks

Mr. Miller congratulated the chairman on a very fine and well-balanced speech. He had come to hear what was said and to carry North across the Border. There had been a meeting in Glasgow not very long ago on the second agreement, which was a very grievous matter with the Scottish people. They thought it one of the most unfair and unjust things that could be done by the capitalist system to those who supported it. There was £20,000,000 at stake this time, which the Government was taking over with this 1942 agreement. From *The Scotsman* he read a leading article as follows: "The terms of the new agreement were not made known until January, 1942, and even then it had not been signed. When railway stockholders attended the annual meetings last March they knew merely that this agreement provided for the

fixed annual payment among them, together with the London Passenger Transport Board, of £43,000,000. They were not then aware of the actual working results of the railways in 1941. These were published in a White Paper in April, 1942, and all those showed that the net revenue earned by the pool was over £65,000,000 or £22,000,000 more than the amount of the rental paid to the railways; and had the original agreement been fully implemented as regards the raising of the charges in conformity with higher costs the net revenue would have been much greater. Even on the basis of £65,000,000 divided in the agreed proportions, the Great Western would have shown earnings of just over 8 per cent.; the London Midland & Scottish of nearly 6 per cent. on ordinary stocks, and the London & North Eastern Railway of nearly 3 per cent., and the Southern Railway of nearly 3½ per cent. for 1942. Despite the absence of any further increases in charges it is rumoured that the income of the railway pool has been £30,000,000 above the fixed rent. If all the railway companies had been treated like any other business, excess profits tax would not have put a 'ceiling' on their dividends at anything like the present low level of dividends. It is unfortunate that the results of 1942 will, apparently, not be known until after this year's annual meetings have been held." That gave an idea of how the Scottish mind had been exercised over the results of the railway undertakings. He had been at a meeting in Glasgow this year, and it had begun with: "In three years of war the railways have proved themselves the most reliable and effective transport service this country possesses." The point was, and what he would like to know and what they would like to know in Scotland, was: In the first agreement had the Government representatives made that agreement for one year only, or had they made it with a view to its being reviewed again at the end of the year? Secondly, in the 1942 agreement, had they revealed that there was likely, or had they known themselves, that there would be a very substantial profit when they were making the ratification of the agreement? If the directors had had an idea or had been told that there was likely to be an approximate increase to—he had better not give a figure—then he would have thought that they would have suggested: "Now let us have a scale in which the profits should be £5,000,000 or £10,000,000; let it be a 50-50 agreement between the shareholders and the Government." That would have been a very nice *quid pro quo*. Having been as a young man, foreman of the works, and having worked with the North British Railway Company, he was very pleased with the new arrangement in the Civil Engineering Department, which he had been in.

Mr. Bigio said that a revised agreement was advisable on the lines of the first agreement, and he could not understand why the railway undertakings had been singled out for different treatment from any other concerns liable to excess profits. If they were treated in the same way as other concerns liable to excess profits, the excess earnings that were going to the Government now would be there as a reserve. First of all, 20 per cent. would be refunded, as it was refunded to other concerns, and as it had been promised to other concerns, and the balance of 80 per cent. would form a reserve, and in any year in which the railway companies' earnings were below the revised figure, they could draw on that amount up to that figure. After the last war, excess profits had remained in force for many years. One could take it really, judging by the Treasury demands,

that so long as the revenue was coming from excess profits tax and the revenue exceeded refunds, then excess profits tax would remain in force. The agreement at the moment guaranteed a rental agreement for one year only after hostilities ceased. He suggested that this be revised, and that so long as excess profits tax was in existence the rental agreement should be guaranteed in the same way. That was only so long as the surplus earnings, which the Government took, allowed that to be done. He thought the companies had been treated very harshly indeed by the second agreement. The companies were rendering excellent services. Moneys that should have been used in dividends in past years had been sunk back and put into the companies, purely to maintain the efficiency of the lines. People had gone without dividends for years purely and simply to keep the lines efficient and to maintain a standard of the railways on a very high standard, and it had proved that they had been so maintained. Surely they were entitled to something now that they were doing such good service? There were many people who had invested money in stocks and who had seen their capital depreciate to a ridiculously low level. Under the present agreement, there were something like £76,000,000 invested in the deferred, preferred, and junior stocks of this company which were not receiving any dividend at all, and which, under the present agreement, were not likely to receive any dividend. There was also £126,000,000 invested in second preference stock; that got 2½ last year. Under the present agreement, he could not see it receiving very much more. Why should that go on? Surely railway stockholders were entitled to ask that they should be treated in the same way as other commercial undertakings? If the Government wished to maintain that, if it were not for the transport and the work it was giving, they should not be getting this excess figure, the same remarks applied to other firms on munitions. He understood that concerns with a low pre-war standard were allowed to adopt a capital standard, or were given 6 per cent. on the amount of the capital employed in the concern. Therefore, railway stockholders were entitled to receive £66,000,000 a year, and not £43,500,000; it was a very different figure. So that whatever the Treasury liked to put forward in favour of its argument, they could squash it at once. All that was asked was a revision of the agreement to even up the first agreement that was made, or to a fair figure to allow a reasonable and modest dividend to the junior stockholders and to the others.

Mr. Sidney Hole said he agreed with every word that had been said by the two previous speakers. Was it not the duty of directors to safeguard junior stockholders from the unfair incidence of the excess profits tax falling as it did almost exclusively on them, to the point of absorbing almost all the dividend that would be allocated to them if it were not charged in the accounts as though it were an expense instead of a tax, which it really was. Could it not be spread over all the categories of shareholders equally by means of an equated average rate, instead of being deducted from profits, so that the junior stockholders' dividends were absorbed as though they were getting excess profits, the result being that those particular categories bore the whole burden?

Mr. Taylor said he did not think that any meeting of these great railway companies should pass without a very strong protest being made by several of the shareholders against the most unjust treatment meted out to the railway companies by the

present and by previous Governments. Towards the end of the last century severe restrictive regulations, which had been intended to protect the country at large against a monopoly, had been allowed to remain in force long after they had ceased to have any justification in fact. The next thing that had happened had been that during this present century an unregulated road transport traffic had been allowed to grow up which, in its early stages, at any rate, had been subject to no restrictions whatsoever; it had competed most unfairly against the railways. The standard revenue, which had been agreed on a quarter of a century ago, although not altogether valueless, would not have been a complete and just redress of the earlier grievances of the railways; but the position was steadily worsening. He did not know whether one was to regard it as entirely an accident that no reliable figures of the operations of the railways were available till after the annual meetings; at any rate, that was how it worked; and he could not help thinking that had an effort been made by some of the people in possession of those figures they could have been presented to the stockholders. He had observed that when something had been known about the new agreement, which was to supersede the old one, it had been referred to in important neutral financial papers which had no particular affection for the railways as far as he could see, as being a very hard agreement on the shareholders. Let them see how two classes of people were affected by the present arrangements. The railway employees, reasonably in many cases, said: "Everything is dearer; we must have increased wages," and their claims had been met. What about the ordinary shareholders? This company, for example, had an issued capital of ordinary and common stocks of 376 millions. Things were so adjusted that the profits for the year amounted to £10,700,000. That represented about 2·85 per cent. on the issued capital; but to take the issued capital of the companies as a criterion of what was fairly due to the shareholders was entirely fallacious. In any ordinary well-managed commercial company, during its earlier years it probably did not pay out all its profits in dividends, but it accumulated a reserve, and after a few years of careful trading, the result was that the assets side of the balance sheet showed something very much in excess of the issued capital. The railway companies had a certain issued capital. The railway company could not stand still; it had to meet a constantly recurring capital expenditure. A few years ago that expenditure could not be met by issuing fresh stock because the earning power had been crippled by Parliamentary action or inaction for years; consequently, money that ought to have been in justice distributed as dividends to the shareholders the directors had been compelled to spend for capital purposes. He believed it was generally agreed that the replacement value of all the assets of the railway companies, say, at January, 1939, had been somewhere between 60 and 70 per cent. in excess of the issued capital, and that if it were a generally admitted principle that Government securities were entitled to about a 3 per cent. distribution, utility companies to a 4 per cent. distribution, and ordinary commercial companies to 4 per cent. and upwards on their preference shares and, say, 6 per cent. and upwards on their ordinary shares, it was quite evident that the man who owned railway stocks was being exceedingly badly treated in the return that was made to him. It was absolutely impossible to

say that the Chancellor of the Exchequer, the members of the Cabinet, the head of the railway transport department, knew nothing about all this; they knew it perfectly well; and it seemed to him an amazing lack of an elementary sense of justice to the shareholders of the railway companies who ought to be receiving at least 5 per cent. on their common stock, when very much more was earned, that they should be treated in the way that he had described. Obviously, the most important feature of a meeting of railway shareholders was the record of the Chairman's speech, which would be in the principal newspapers the next day and during next week; but there was a divergence of custom at this point. Some railway companies said absolutely nothing at all about the views of the shareholders which had been expressed concerning the subject matter of the speech; other companies, on the other hand, gave some slight condensed record of the reaction of the shareholders. He earnestly hoped that the present company would follow the better of those two customs.

Councillor Wilson said that the ordinary conditions under which the engineering trade was working was "cost-plus." The railways were not enjoying that, by any means. The arrangements had been made between the directors and the Government, and the directors were always under the threat of the nationalisation of British railways. During the year there had been a private Bill put through the House to take over Thomas Cook & Son, and the statutory powers asked for were £450,000 payable by three yearly instalments of £150,000 a year. What has happened? Here was the Bill through the House, unlimited; although the Bill was unlimited, he hoped the Chairman would always remember the statutory powers obtained at the extraordinary general meeting. He felt that what few statutory powers still remained to the proprietors had to be respected, and he referred to Section 91 of the Companies' Clauses Act of 1845, which laid it down that it was not only the privilege but the duty of the meeting to fix the directors' fees, the Secretary's salary, and the Auditor's remuneration. In the balance sheet there was no directors' fees. The Auditor had included on the balance sheet £4,000, the amount of his remuneration.

Mr. T. L. Goulton said he had come from Grimsby, in Lincolnshire. Lincolnshire was a very large county and yet it was represented on the board by only one director, Lord Burghley, who lived in the south of the county. Grimsby was not represented at all on the board of the London & North Eastern Railway. He noticed that seven of the directors came from the Highlands of Scotland; one from Liverpool, and a good many from London, but the Eastern Counties, he thought, were very poorly represented. The amount accepted under the new agreement was approximately the maximum guaranteed under the 1940 agreement. Had the 1940 agreement been implemented, the full statutory earnings permitted under the Railways Act of 1921 would have been earned, with a substantial margin of profit over and above that for the Government. Those statutory earnings would have permitted, not only the payment of a full 5 per cent. on the preferred ordinary stock, but 4·7 per cent. out of which to provide a dividend on the deferred stock. In 1923, when the railways had been amalgamated, in that year and for one or two years subsequently, 5 per cent. had been paid on the preferred stock and 2½ per cent. on the deferred stock. Why

had the railway directors agreed to such very unfair terms as those laid down under the railway agreement of 1941. Was there any possibility now that the question of war damage was still under consideration, of reopening the whole question of this agreement with the Government?

Mr. Chittick asked if it was necessary still to continue the practice of inviting proxies? He suggested that now that there was the importance of economy in stationery, expense, and so on, the directors should consider the discontinuance of the proxies.

Mr. Hole asked if there was a suspense account in relation to a contingency of having to pay something in the way of war damage contribution.

Chairman: I thought I had made that quite clear in my speech.

Mr. Wyndham White said he was expressing the general opinion of this meeting when he said that the shareholders were profoundly dissatisfied with the agreement which had been made between the directors and the Government. There could not be two opinions but that the shareholders both in this company and in the other companies had had a very raw deal. The shareholders in these railway companies numbered some 857,000 persons. This question of the interests of the railway shareholders had never been approached from the standpoint of equity. Their interests had for the last 25 years been the shuttlecock of a political party. There were something over 600 constituencies in the United Kingdom. That gives stockholders on an average something like 150 votes in every constituency. The Chairman might suggest that 12 or 20 of the stockholders should form a kind of shareholders' consultative committee, who would form a liaison body between the directors and the great body of the shareholders. He could obtain a proxy from the shareholders which demanded justice from the authorities. It was not only in the hands of the directors, it was almost exclusively in the hands of the stockholders, and it rested with them whether they were to wrest from the Government something like reasonable treatment and the treatment which they had a right to expect. He added that if stockholders exercised 150 votes in every constituency, they could reckon their deferred stock as worth £104. It was a question of votes.

Mr. E. Short said he thought the last speaker might have told the meeting that there was already in being an organisation of precisely the type for which he was asking—the British Railway Stockholders' Union. That had been in existence for ten years, and had enrolled in that time something like 15,000 members. Its policy was "To take every possible step to secure a modification of the 1941 agreement and to secure that such amendment as in the case of the agreement itself be retrospective within the limits of available profits." Then in the second place: "To secure the co-operation of the boards of the British railways to this end." In the third place: "To secure that all equity stockholders shall receive some income on their capital"—and that includes the £78,000,000 of ordinary stock in this country. "To take such steps as may be necessary to ensure that the statutory rights of British railway stockholders under the standard revenue clause of the Railways Act, 1921, are in no way abrogated now or in the future," and lastly—and this covers the point the last speaker made—

A Shareholder: On a point of order, is

this a shareholders' meeting or a propaganda meeting?

Mr. E. Short: It is a meeting of the London & North Eastern Railway Company's shareholders. And lastly "To make representations to Parliament accordingly."

Mr. Allen said that at the meeting last year he wanted a resolution of protest against the new agreement, but he did not get any support, and so he could not do anything. He asked those who did not agree with the new agreement to rise and say so.

The Chairman: I think, Mr. Allen, you are getting a little out of hand.

(A large body of shareholders rose to their feet and then resumed their seats).

Mr. Allen: That is all I wanted. I will not say any more.

Mr. Wyndham White: Could you take a resolution inviting a committee of shareholders to confer with you as to the means which might be taken to secure more favourable terms from the Authorities?

The Chairman: No, not without due notice. I am afraid I must rule that out of order.

The Chairman's Reply

Mr. Lords, Ladies, and Gentlemen, generally speaking the bulk of the speeches this afternoon have been devoted to the question of the railway agreement. In regard to that, I spoke at very considerable length last year, and I gave you in my speech the reasons which led the boards to accept an arrangement which at the time I described as being in my opinion "fair but not generous." As there may be certain members of the company here this afternoon who were not present last year and did not hear what was said, I think, if you will bear with me for two or three moments, I will read you the relevant extracts from my speech of last year. Referring to the offer of £43,000,000 I said: "This offer, I need hardly say, received the fullest and most careful consideration from the boards of the undertakings concerned, and, after weighing up all the pertinent factors involved, they decided that within the framework laid down by the Government" (and I want you to note that, because that is a very important factor) "no better terms were obtainable and that the offer was one which in all the circumstances must be accepted, it being agreed that this annual sum would be divided among the five undertakings in certain proportions, this company's proportion being, as I have already stated, £10,136,355. In coming to this decision, the boards had to bear in mind the fact that, although the £43,000,000" (now please listen to this) "could not be taken as representing the existing or potential earning capacity of the undertakings, nevertheless contingencies might arise substantially affecting that earning capacity, such as, for example, invasion or a decline in traffics in the last years of control. In this latter connection it should be noted that the revised agreement provides that the payment of this annual sum is to be made for the whole remaining period of control of the railway undertakings and that the agreement expressly stipulates that control will be continued for a minimum period of one year after the cessation of hostilities. I should add that the boards in coming to their decision were also influenced, and properly so, as you will, I am sure, agree, by considerations arising from the present emergency, inasmuch as while paying due

regard to ordinary commercial considerations they came to a decision that having received an offer, which although by no means generous, could not be regarded as unfair, they would not be justified in the national interest in refusing it and haggling for a higher figure." The salient factor there, of course, apart from the national interest—about which I am sure you will still hold the same view as you did last year—was that the Government laid down a certain framework within which we were to negotiate, and the dominant planks in that framework consisted of the stipulation that we should and must accept a lump sum rental.

A Shareholder: Why? Why should we accept a lump sum?

The Chairman: Because the Government said we had to do so. Parliament accepted it. What else could we do? We protested during the negotiations. It is quite easy for anybody to sit there and say what we should do to the Government, but it is not nearly so easy to convince the Government that it is to do what we wish. May I proceed?

A Shareholder: As directors, you know that the railways were making much bigger profits.

The Chairman: We did not know that the railways were making much bigger profits. We do not know even today what the ultimate net balance sheet of the period of control will be, because we do not know what may happen within the next two or three years. It is very difficult to say that that agreement will result so favourably with the Government as it appears to do at the present time. But as far as these factors are concerned, I think it would be most unwise of me to enter into such a spirited defence of the agreement as might provide a good deal of ammunition for the Government if they wished to use it later on. Therefore, I must ask you to accept the position as it stands at the present time. What has been said here today I can assure you will be most carefully studied by me and by my colleagues, not only of this railway company but, I am sure, of all the other railway companies, and I do not wish any stockholder to leave this room feeling, as has been suggested, that there is no sympathy for the position of our junior stockholders. I can assure you that their plight—a very unhappy plight for a good many years, and not only due to conditions arising from this war—has always engaged the most serious consideration of the board, and everything that can be done will, of course, be done to alleviate their position. But going back once more to this question of the lump sum agreement, I explained at great length last year that having had that condition imposed upon us, if you like, we had no option but to fix on what was an equitable basis of division of the lump sum, because that, again, was stipulated, and there is no way, as you know, of finding an equitable basis except (a) by taking a period which is representative; and (b) by securing the agreement of all parties to the division. We took the years 1935, 1936, and 1937, and the revenues were divided on that basis. It is unfortunate, as, again, I said last year, that the capital structures of the companies are of such a nature that on a division it gives the Great Western 4½ per cent. on its ordinary stock and provides nothing for the deferred or preferred ordinary stockholders in this company; but the only way in which that could be rectified would be for us to go to the other com-

panies and say: "We want a bigger share of the lump sum rental."

A Shareholder: Oh, no.

The Chairman: There is no other way of doing it, so long as you are tied to the lump sum rental.

Councillor Wilson: Mr. Chairman, your statement as regards the Government is not fair. It is not fair to say that it was imposed upon you, because it was said on the floor of the House of Commons that they had made an excellent agreement with the railway companies.

The Chairman: I daresay they had. That does not prove anything, Councillor Wilson.

Councillor Wilson: I want you to be fair to the House and not to say that it was imposed on you, because it was an agreement that was arrived at between the directors of the railway companies and the members of the transport board.

The Chairman: I said that the framework of the agreement was imposed upon us—and it was.

A Shareholder: Was the Government made aware that it would exclude us for all the period under review?

The Chairman: Of course it was told at all periods, and by myself personally in consultation with the Minister.

Councillor Wilson: Did it threaten the directors with the nationalisation of the British railways?

The Chairman: I am not in a position to discuss what took place at all these negotiations—quite obviously not; but I must make it quite clear that I said that the framework was imposed upon us—and so it was—not the agreement. I cannot say any more on that at the present time. There is one point, however, that Mr. Bigio raised in regard to excess profits tax. I think it ought to be made quite clear that no company has the right to a substituted standard. They can only go before an arbitrator and ask for a substituted standard, and they can only get that substituted standard if the arbitrator is satisfied that the conditions were such that the excess profits tax standard years did not provide a fair comparison of earnings with the present time.

Mr. Bigio: I respectfully suggest that is not so. The years 1935, 1936, and 1937 did not represent what the companies could earn, nor what they were allowed to earn under the companies' Act of Parliament.

The Chairman: I think that is extremely debatable, and you are on a rather bad wicket if you look at the figures for the year 1938. I think I have dealt with everything Mr. Hole said in my reply with regard to the agreement generally. Mr. Taylor has reminded us of the "square deal" campaign and our relations with other forms of transport. I can give him an assurance, again without going into details—because you must remember that it is extremely difficult under present conditions to say too much. I mean it is not difficult to say too much, but it is very unwise to say too much. I think I can leave it at that for the moment. But this question of our relations after the war with all forms of transport is, as I said in my speech, under very close examination.

Mr. Hole: Does that include aerial transport?

The Chairman: I said "all forms of transport," Sir. *The Railway Gazette* published a full report of the proceedings at the meeting. I think it is a verbatim report.

Mr. Taylor: It is a condensed report.

The Chairman: I think *The Railway*

Gazette publishes a more or less verbatim report, but as far as the other papers are concerned you will appreciate that in these days of restricted space they can publish only a certain amount, and we must leave it to the gentlemen of the Press to put in what they think are the most interesting parts of the discussion.

A Shareholder: They put in only what they are paid for.

The Chairman: We take so much space and ask them to report the meeting. Councillor Wilson has also spoken on the agreement. I think I have covered everything he said in that connection. With regard to Thomas Cook & Son, I am not quite clear what further reassurances he wants.

Councillor Wilson: I do really believe that you were quite unfair when you remarked to the meeting, when you asked for statutory powers to provide for this guarantee—you gave it out clearly to us as £450,000, £150,000 a year. I cannot for the life of me understand how the guarantee has got through the House of Commons in the Bill unlimited.

The Chairman: The level was a figure mentioned in the Bill and that was explained to you—

Councillor Wilson: I have *The Financial Times* here, giving a report of the meeting, where it says £450,000—£150,000 a year for three years.

The Chairman: That was the agreement with Hay's Wharf Cartage Company, where the amount of the guarantee was, as you said, £450,000 between the four companies—that is to say, £150,000 a year for three years.

Councillor Wilson: That is correct.

The Chairman: There was no figure mentioned in the Bill, and Mr. Pritchard, who was then our Chief Legal Adviser, explained the whole position at great length to Councillor Wilson and to the meeting last year. We even had a poll.

Councillor Wilson: In all fairness, Mr. Pritchard got up and said that the reason the amount was not included in the Bill was that if we wanted more money we should have to have another meeting and present a new Bill. That was his excuse why the amount was not in the Parliamentary Bill—which was not a true Bill.

The Chairman: Councillor Wilson also raised questions in regard to the directors' fees, the Secretary's remuneration, and the remuneration of the Auditors. The directors' fees, of course, stand as they were last voted by the proprietors; they are set out in abstract E, which is one of the abstracts which, under the direction of the Minister of Transport, we leave out of our published accounts; but you may be perfectly certain that the Auditors, if they discovered (as apparently it is felt they might discover) that the directors had been quietly augmenting their fees without anybody knowing about it, would feel it their duty to report to the stockholders whose servants they are.

Councillor Wilson: On the technical point, we are entitled to know.

The Chairman: I can refer you to the last full published accounts, Abstract E, Councillor Wilson. You will see the figure set out there. There is no secret about it.

Councillor Wilson: It is not stated as Directors' fees.

The Chairman: It is in Abstract E, in the last full published accounts. It is set out. You can see it there. In regard to the Secretary's salary, I am sorry to

tell Councillor Wilson that he is misinformed. Under the Railway Amalgamation Scheme Statutory Rules & Orders, 1922, No. 1435, paragraph 35, it is provided that: "In addition to the powers which the directors of the company may exercise under the Companies' Clauses Act, 1845/1889, or otherwise, they may from time to time determine the remuneration of the Secretary of the company."

With regard to the Auditor's fees, they are set out on the report, and they will be voted on later on at this meeting. Mr. Goulton raised the question of Directors. I rather gathered that he suggested we should have, like a sailor, a director in every port. As just before coming here I received a letter from a stockholder saying that we had too many directors, I feel myself rather in a difficulty in meeting everybody's views. But I can assure Mr. Goulton of this, that some of us know, perhaps, a good deal more about Grimsby than he realises—and nothing to Grimsby's discredit, because it is a town for which I have the highest possible regard, where they gave me a very good reception and an excellent lunch in one of our own hotels not very long ago. Mr. Chittick raised the question of proxies. I am afraid we shall have to continue to ask for proxies. There are several reasons. One dominating reason is that in order that this meeting can be held at all we must have £1,000,000 of stock represented here, either in person or by proxy.

Mr. Wyndham White: Do you take those proxies from the preference shareholders?

The Chairman: We take them from all classes of stockholders who are entitled to attend the meeting.

Mr. Wyndham White: I do not think the bulk of the secured or guaranteed shareholders have the same interest as we have.

The Chairman: They have the same interest in their property and they are entitled to have it safeguarded.

Mr. Chittick: Might I suggest that if it is difficult to get £1,000,000 worth of stock represented otherwise than by getting proxies, you might consider what steps should be taken to alter that statutory position, by amending the statutes of the company—because it seems a most extraordinary position.

The Chairman: I think the position would be equally extraordinary if the stockholders of this company were committed to some definite form of action by the number of votes represented in this room.

Mr. Wyndham White has been speaking on the political aspect of the situation, and—

Mr. Wyndham White: That is the dominant point.

The Chairman: And before he interrupted me—

Mr. Wyndham White: I apologise.

The Chairman:—I was going to say that I had every sympathy with that point of view, and I was going to wish him more power to his elbow—but he got off the mark rather quickly. If you would read my speech again—if any of you are capable of standing it twice—you will find that I did emphasise that aspect of it, though I did not use the same eloquent language as Mr. Wyndham White did. I did emphasise the necessity of making the fullest possible use of the present very good feeling for the railways of the country, and not allowing the bouquets which we are having thrown at us now to fade away.

I think there is a great deal to be done to emphasise that aspect of it. If there is any alteration in present conditions, whether that is possible or not, it is vitally important, as I have told you before, that the whole of railway opinion should be mobilised to deal with any situation that may arise after the war, and, as I have told you on more than one occasion, the directors welcome the support of the stockholders behind them. I am not going this year, any more than I did last year, to try to hold the balance between the proposal for some body of advisory stockholders and the British Railway Stockholders' Union. That is a matter for stockholders themselves to settle, as to how they propose to organise themselves. But I can still say that we do welcome organised stockholders' opinion behind us, and however you do it, more power to your elbow. I have dealt now with all the questions that you have raised this afternoon. I have moved the resolution and it has been seconded.

Mr. Bigio: Are we to take it that the revision of the agreement is a closed chapter? Is it a *fait accompli* and is nothing to be done in the matter, or are the board going to move?

The Chairman: I have asked you not to press me too hard on this matter. I can equally well say that the agreement is signed.

Mr. Bigio: The first agreement was signed.

The Chairman: The first agreement was never signed. May I put the resolution to the meeting? Do you want me to read it again? "That the report of the directors with relative statement of accounts for the year ended December 31, 1942, be adopted." That has been moved and seconded. Will all those in favour vote.

(The resolution was put to the meeting and carried.)

Councillor Wilson: I voted against it on Section 91, and I wish to inform the Secretary that the point will have to be legally heard with regard to directors' fees.

The Chairman: The resolution is carried with one dissentient. I now beg to move: "That dividends be now declared in terms of Account No. 9 headed 'Proposed appropriation of net revenue'; that the dividends be payable (under deduction of income tax) less (1) the amounts paid as interim dividends in Account No. 9 (a) headed 'Statement of interim dividends paid' and (2) the balance paid on February 15 last of the dividends on the first and second guaranteed stocks—by warrants on March 18 to the proprietors registered in the books of the company at the close of business on January 28, 1943, and that the warrants be sent by post on March 17." I will ask the Deputy-Chairman to second that resolution.

Sir Murrough Wilson: I beg to second the resolution.

(The resolution was put to the meeting and carried.)

The Chairman: I have now to inform the meeting that in accordance with the provisions of the Railways Act, 1921, and the North Eastern, Eastern, and East Scottish Group Amalgamation Scheme, 1922, the following directors retire, and being eligible offer themselves for re-election—Sir Ronald W. Matthews, The Hon. Eric B. Butler-Henderson, The Hon. Geoffrey C. Gibbs, Sir William Gray, Bart., Andrew K. McCosh, Esq.,

Colonel Harold P. Mitchell, M.P., Sir Samuel Strang Steel, Bart.

Sir Murrough Wilson: I move their re-election.

Councillor Wilson: On a technical point I thought they ought always to be put up separately, because if a man wishes to vote for two and against two, then you are depriving him of his statutory right.

The Chairman: Thank you very much. I will put that point to the meeting. Does the meeting wish the directors to be put up separately, or will they have them all put up together? (Cries of "All together.")

Councillor Wilson: Mr. Chairman, on the technical point, it is beyond the power of the directors and this meeting to deprive me of my statutory right to vote against some particular director I do not wish to have re-elected.

The Chairman: All right. We will put them all up separately. I apologise to the rest of the meeting.

Councillor Wilson: I do not say I am going to cause any trouble, but what statutory rights we have we ought to exercise.

Sir Murrough Wilson: I beg to move that our Chairman, Sir Ronald W. Matthews, be re-elected.

The Hon. R. E. Beckett: I beg to second the resolution.

(The resolution was put to the meeting and carried.)

Sir Murrough Wilson: I beg to move that The Hon. Eric B. Butler-Henderson be re-elected.

The Hon. R. E. Beckett: I beg to second the resolution.

(The resolution was put to the meeting and carried.)

Sir Murrough Wilson: I beg to move that The Hon. Geoffrey C. Gibbs be re-elected.

The Hon. R. E. Beckett: I beg to second the resolution.

(The resolution was put to the meeting and carried.)

Sir Murrough Wilson: I beg to move that Sir William Gray, Bart., be re-elected.

The Hon. R. E. Beckett: I beg to second the resolution.

(The resolution was put to the meeting and carried.)

Sir Murrough Wilson: I beg to move

that Andrew K. McCosh, Esq., be re-elected.

The Hon. R. E. Beckett: I beg to second the resolution.

(The resolution was put to the meeting and carried.)

Sir Murrough Wilson: I beg to move that Colonel Harold P. Mitchell, M.P., be re-elected.

The Hon. R. E. Beckett: I beg to second the resolution.

(The resolution was put to the meeting and carried.)

Sir Murrough Wilson: I beg to move that Sir Samuel Strang Steel, Bart., be re-elected.

The Hon. R. E. Beckett: I beg to second the resolution.

(The resolution was put to the meeting and carried.)

The Chairman: Thanking you on behalf of my colleagues and myself, I can only say that I am delighted to see my Deputy-Chairman taking so much exercise! I have now to inform the meeting that Sir Laurence E. Halsey, K.B.E., F.C.A., one of the Auditors, retires and being eligible offers himself for re-election, and that the Audit Committee recommends that (1) Sir Laurence E. Halsey, K.B.E., F.C.A., be re-elected an Auditor of the company and (2) For the year ending December 31, 1943, the joint remuneration of the Auditors be £4,000. Will somebody move that?

Councillor Wilson: I move that. The Chairman: A member of the Audit Committee, I think, had better move the resolution, Councillor Wilson.

Sir Charles MacAndrew: Mr. Chairman, My Lords, Ladies, and Gentlemen, I beg to move "That Sir Laurence E. Halsey, K.B.E., F.C.A., be and is hereby re-elected an Auditor of the company; and that the joint remuneration of the Auditors for the year 1943 be £4,000."

The Chairman: Will you second that, Councillor Wilson?

Councillor Wilson: Yes, I have very great pleasure in seconding it, and the amount.

The Chairman: Thank you very much.

(The resolution was put to the meeting and carried unanimously.)

The Chairman: That, Ladies and Gentlemen, with many thanks from your Chairman, concludes the business of the meeting.

Belfast & County Down Railway Company

The annual general meeting of the Belfast & County Down Railway Company was held in Belfast on February 25. Mr. James J. Hurst, J.P., Chairman of the company, presided.

The Chairman, in the course of his speech, said the war could be taken as responsible to a large extent for the present state of the company's affairs. The incidence of arrears of dividends on the 5 per cent. preference stock precluded the holders of the junior stocks from any participation in profits until those arrears had been satisfied. Had that liability not existed it would have been possible to have paid the full dividend on the 5 per cent. and 4 per cent. preference stocks and an aggregate of 4 per cent. on the ordinary stock.

With no opportunity since the outbreak of war to make any addition to passenger rolling stock, the company had

been called on to carry in 1942 3½ million more passengers than in the pre-war year 1938, apart from season-ticket holders, and to run over 171,000 more passenger train-miles. Comparing 1942 with 1938, passenger train-miles had increased by 25 per cent., whereas gross receipts from ordinary passenger traffic had increased by 188 per cent., and the season-ticket traffic by 252 per cent. In regard to goods train traffic for the same years the mileage had increased by 20 per cent., whereas the tonnage carried had increased by 137 per cent.

After making essential reserves, £29,801 was available for distribution this year against an amount of £42,502 for 1941, a decrease of £12,701, which permitted, after meeting 3 per cent. baronial guaranteed shares interest of £510, and interest on the 4½ per cent. "A" preference stock of £2,250, of a

distribution of two years' arrears of dividend on the 5 per cent. preference stock for each of the years 1929 and 1930 being paid on March 1, thus absorbing £24,814 and allowing of a carry-forward of £2,227.

As to the future, it was certain that the steep increase in expenditure which the company had to face last year would

not tend to diminish. To counter that additional expenditure, it must have additional gross receipts. The transport problem in Northern Ireland presented difficulties, but there should be no reason why a scheme should not be evolved to ensure complete co-operation between road and rail, which was essential for the maintenance of public trans-

port, particularly in the post-war period. Replying to remarks by shareholders, the Chairman said the suggestion made as to the funding of arrears payable to 5 per cent. preference shareholders was excellent and the directors were more than willing to meet the shareholders' committee and discuss the matter.

The report and accounts were adopted.

Questions in Parliament

Saving of Petrol & Tonnage

Captain W. T. Shaw (Forfar—C.), on February 25, asked the Parliamentary Secretary to the Ministry of War Transport if he could give an estimate of the contribution to the war effort in saving of petrol and tonnage effected by the restriction put on retail deliveries throughout the country.

Mr. P. J. Noel-Baker (Joint Parliamentary Secretary to the Ministry of War Transport) wrote in reply: Yes, sir, housewives and retail traders have made an important contribution to the war effort by their ready acceptance of the restrictions imposed by schemes for the rationalisation of retail deliveries. By the many small individual economies which the schemes secure, we have, up to the present time, saved petrol at a yearly rate of about 25 million gal. About 34,000 vehicles have been released. Over one half of these economies are in the distribution of food stuffs. These results are an encouragement for the further steps now being taken to rationalise deliveries of milk, bread, and coal.

Leave Trains for Armed Forces

Mr. Donald Scott (Wansbeck—C.), on March 2, asked the Parliamentary Secretary to the Ministry of War Transport if he would consider the running of more trains reserved for members of His Majesty's forces on leave.

Mr. P. J. Noel-Baker (Joint Parliamentary Secretary to the Ministry of War Transport): Machinery already exists through which additional leave trains are arranged when the number of Service personnel travelling regularly between given points justifies that course.

Mr. John Dugdale (West Bromwich—Lab.): Will the Parliamentary Secretary consider allowing private soldiers and non-commissioned officers to sit in first class compartments when the third class are overcrowded?

Mr. Noel-Baker: I think Mr. Dugdale will find that they do so.

Scheduled Times for Main-Line Trains

Mr. Donald Scott (Wansbeck—C.), on March 2, asked the Parliamentary Secretary to the Ministry of War Transport if he was aware that many main-line trains were unable to keep to their scheduled time for obvious reasons; and if he would consider the re-scheduling of such trains.

Mr. P. J. Noel-Baker: The schedules for passenger trains and regular freight trains are drawn up with the object of ensuring the maximum use of locomotives and track capacity, and of providing connections with other services. They are based on timings which the railway authorities can reasonably hope to maintain and which, in fact, are normally maintained. Delays inevitably result from various causes, including, in particular, the provision of special service trains, of which large numbers are required every day. If a train were regularly the same amount behind schedule,

at each point on its journey, it would obviously be desirable to alter its timing, but in practice this rarely happens. As I have said, delay occurs for different reasons; it occurs at different places, and varies in extent from day to day; it does not, therefore, provide a good reason for a general slowing-up of the main-line schedules.

Unnecessary Travel

Mr. Donald Scott (Wansbeck—C.), on March 2, asked the Parliamentary Secretary to the Ministry of War Transport if he was satisfied with the results of his department's slogan "Is your journey really necessary?"; and if he intended to take further steps to restrict unnecessary civilian travel on the railways.

Mr. P. J. Noel-Baker: The slogan "Is your journey really necessary?" was originally introduced by the railway companies, to which is due much of the credit for the considerable success which it has had. My Ministry has examined various proposals for the further compulsory restriction or rationing of railway travel. To be effective, however, these proposals would all require a complicated organisation, which would make demands on manpower out of all proportion to the benefit which would accrue. I am, therefore, grateful to Mr. Scott for this opportunity of saying that it will be more important this year than ever before that passengers should travel by rail only when they are certain that it is essential for them to do so.

Mr. Scott: Does not the Parliamentary Secretary think that the time has arrived when the whole question of railway travel ought to be inquired into again, both in the interests of the railway workers, particularly engine drivers and firemen, and in the interests of those who have to travel, particularly Service people on leave?

Mr. Noel-Baker: I fully agree with Mr. Scott about the great strain on train crews, and, indeed, on the whole railway system at the present time, but we have taken a number of measures, as, for example, the withdrawal of cheap day tickets, to reduce non-essential traffic, and they have had considerable success. Rationing is an extremely difficult proposition, and we are satisfied that if Herr Hitler has not been able to solve it, it will be very difficult for us to do so.

There were cries of "Oh" from Members.

Mr. R. J. Taylor (Morpeth—Lab.): Was one of the steps, among others which the Parliamentary Secretary has not mentioned, the raising of fares by 68 per cent. for people who have to travel in the ordinary way of business?

Mr. Noel-Baker: I am considering a special case which Mr. Scott has put to me about the raising of fares.

Commander Oliver Locker-Lampson (Birmingham, Handsworth—C.): May I ask whether Generals of high position travel alone in first class compartments and Admirals do not?

Mr. Noel-Baker did not reply.

Transport of Flowers

Sir Herbert Williams (South Croydon—C.), on March 2, asked the Prime Minister whether his attention had been drawn to the fact that the Emergency Powers (Defence) Railways (Transport of Flowers) Order, No. 232, of 1943, which was signed on February 13 and came into force on February 16, was not available in the library of the House of Commons up to midnight on February 23; that there was not available in the library any of the Statutory Rules & Orders between Nos. 163 and 232; that at least six persons had been arrested and prosecuted under the provisions of Order No. 232 before it was available in the library of the House; and if he would give instructions that no proceedings would be taken under any Order in future before it had been made available to Members.

The Deputy Prime Minister (Mr. C. R. Attlee): Arrangements have recently been made whereby new Statutory Rules & Orders are supplied to the library of the House daily instead of once a week. The new arrangements were put into operation on February 22, on which day Order No. 232 was available in the library. In future the Orders will be available as soon as they are printed, and no such instruction as that suggested by Sir H. Williams will therefore be required.

Sir H. Williams: On whose authority does the Deputy Prime Minister make the statement that the document was put in the library on the 22nd? I was in the library at midnight on the 23rd, searching the volume in which it was supposed to be, and I found that it was not there.

Mr. Attlee: I have given the information which I have.

Mr. Evelyn Walkden (Doncaster—Lab.), on March 3, asked the Parliamentary Secretary to the Ministry of War Transport what forms of transport were still being used to bring the large stocks of spring flowers from the growers to the wholesale markets and thence to retailers; and, as the defects in the recent defence orders had provided facilities for an extensive system of black-market trading, would he revise them.

Captain J. H. F. McEwen: So far as railways are concerned the Order recently made is considered adequate to prevent the carriage of flowers by rail. Flowers are being moved by road for short distances only to local markets, except in a few cases where they may move over longer distances as incidental or return loads on vehicles having space not required for more essential traffic. Flowers may also be carried by coasting vessels where space is available, but the quantity carried is small. The restrictions have tightened up control, and the Parliamentary Secretary thinks the present arrangements deserve a fair trial.

Mr. Walkden: Will Captain McEwen convey to the Minister the information that at least 20 lorry loads of flowers—or at least 20 lorry loads of goods, consisting largely of flowers—arrived in Covent Garden this morning, which

means the use of transport, and that taxicabs were used there this morning, which means the use of petrol? Will he inform the Minister that reputable people in the trade believe that the Department have handled the matter in a clumsy fashion?

Captain McEwen: I will convey that to the Parliamentary Secretary.

Mr. T. Levy (Elland—C.), on March 3, asked the Parliamentary Secretary to the Ministry of War Transport what instructions had been issued by his department to the officers administering the Emergency Powers (Defence) Railways (Transport of Flowers) Order in order to safeguard ordinary passengers from being exposed to delay and inconvenience through the right to search their luggage which was established by the terms of the Order.

Captain J. H. F. McEwen: No such instructions have been given. Mr. Levy may rest assured that it is not intended to inconvenience ordinary passengers unless there is reasonable ground for suspecting that they have committed an offence under the Transport of Flowers Order.

Mr. Levy: How can a police officer reasonably suspect that luggage contains flowers without using the right of search, and does not that right of search mean Gestapo methods, which are resented by the majority of passengers using the railways?

Captain McEwen: The regulations, I understand, give a police constable power to arrest any person whom he has reasonable grounds for suspecting to have committed an offence against the Order. Obviously, he will have to ask the individual to open the bag.

Mr. Levy: How can any police officer see whether there are flowers inside the luggage or not without searching?

There was no reply.

Mr. R. De La Bere (Evesham—C.), on March 3, asked the Parliamentary Secretary to the Ministry of War Transport whether he would give consideration to some amendment of the Order recently introduced which prohibited flowers or plants, connected with trade or business, being consigned or conveyed by rail; and, in particular, whether permission would be granted for *bona fide* travellers to carry with them cut flowers, the value of which was not in excess of £1.

Captain J. H. F. McEwen: As the Parliamentary Secretary said in reply to Commander Stephen King-Hall (Ormskirk—Ind.) on February 23, he would not, in present circumstances, feel justified in relaxing the requirements of the Order. Mr. De La Bere's proposal would be open to a number of objections, about which, with his permission, the Parliamentary Secretary would write to him.

Mr. De La Bere: Why were only a few miserable days' notice given to the growers before this Order was imposed? Is Captain McEwen aware of the very great hardship to growers throughout the country; and can he tell me where the Parliamentary Secretary to the Ministry of War Transport is, and where the Minister is? Mr. Deputy Speaker, should not a representative of the Ministry be here to answer? Has it not been said that the bud of liberty opens with an English spring?

Captain McEwen: The Parliamentary Secretary, I understand, is ill, and the Minister, of course, cannot attend.

Viscountess Astor (Plymouth, Sutton—C.): Would not anybody who travels long distances agree that, hard as it is

on the growers, considering the appalling amount of traffic it is not an unreasonable Order?

Mr. De La Bere: It is all a question of degree. The Minister of War Transport is not always right.

Major A. M. Lyons (Leicester East—C.), on March 3, asked the Parliamentary Secretary to the Ministry of War Transport if he would state the authority under which searches were made of passengers' luggage in the train or at stations, or otherwise to ascertain whether flowers were being carried by train in contravention of S.R. & O. No. 232, of 1943; and the number of such searches made since the date of that order.

Mr. P. J. Noel-Baker (Joint Parliamentary Secretary to the Ministry of War Transport) stated in a written answer: Powers of search under certain conditions are given by Regulation 88A of the Defence Regulations and power to arrest without warrant on reasonable suspicion by Regulation 88C. So far, when police officers have had grounds for suspicion, they have so informed the passengers and invited them to open their luggage, and in all cases the passengers have agreed to an inspection. Flowers have been carried by train in contravention of the Order, and certain prosecutions have taken place, and convictions have been obtained. Other cases are pending. Since the date of the Order 47 containers have been opened.

Post-War Air Transport

Mr. O. E. Simmonds (Birmingham, Duddesdon—C.), on March 3, asked the Secretary of State for Foreign Affairs whether he had received from any foreign government a proposal that the post-war air transport services of the world should be operated by an international corporation.

Mr. Anthony Eden (Secretary of State for Foreign Affairs): No, Sir.

Mr. Simmonds: Is the Foreign Secretary aware that, while it may be necessary and desirable to have international control of air transportation, it would be folly to attempt to have international operational control, and will he take care that he does not burn his fingers as some of his friends have done?

Mr. Eden: I think I should burn my fingers if I attempted to answer that question.

Mr. Simmonds, on March 3, asked the Secretary of State for Air why his Department had discouraged British shipping companies from becoming practically interested in post-war air transport.

Captain Harold Balfour (Joint Under Secretary of State for Air): I cannot accept the implication of Mr. Simmonds' question. As was pointed out by the Joint Parliamentary Secretary to the Ministry of War Transport, on February 3, the proposal that shipping interests should participate in post-war civil air transport involves important issues of general policy which are under consideration by His Majesty's Government.

Mr. Simmonds: Is the Under-Secretary aware that no fewer than three shipping companies have had cold water thrown by his Department on their inquiries as to what action they could take regarding air transport? Is it not a fact that His Majesty's Government have committed themselves after the war both to an extension of trade and to the employment of our Air Force, and on both those grounds should not the Under-Secretary

give full information to the shipping companies?

Captain Balfour: As the Foreign Secretary stated just now, he would burn his fingers if he went into these issues. I should be doing the same, and even more so, if I did that. It is not for the Air Ministry to throw cold water on the shipping companies. All we have told them is that these issues are mixed up with large questions which His Majesty's Government have now under consideration.

Mr. Simmonds: Will the Minister see what he can do to follow up this matter and keep the shipping companies informed of the policy of His Majesty's Government?

There was no reply.

Mr. Simmonds, on March 3, also asked the Minister without Portfolio why no decisions had been taken on the subject of post-war air transport, when his committee had been considering this matter for some 18 months.

Sir William Jowitt (Minister without Portfolio): Perhaps Mr. Simmonds would be good enough to await the forthcoming debate on the Air Estimates, when this subject will no doubt be discussed. In the meantime, he should not assume that no decisions have been taken.

Mr. Simmonds: Did not the Minister tell the House only a fortnight ago that no decisions had been taken? Are we to assume that very important decisions have been taken in the last 14 days?

Sir W. Jowitt: I do not want to anticipate the forthcoming debate, but I have given Mr. Simmonds the advice not to assume that no decisions have been taken.

Mr. E. Shinwell (Seaham—Lab.): Does that mean that in that debate we shall have pronouncements by the Government on this subject? If I send the Minister a report by the Labour Party on civil aviation, will he consider it?

Sir W. Jowitt: Most certainly; I shall be glad to have it.

Traffic Restrictions in South Coast Towns

Earl Winterton (Horsham and Worthing—C.), on March 3, asked the Parliamentary Secretary to the Ministry of War Transport if he was aware that in several coastal towns in the South of England where, as a result of restrictions upon visitors and war conditions generally, there was only a small percentage, compared with that of pre-war days, of traffic upon the roads, a number of one-way streets and other regulations involving detours were still in existence; and if he would order their abolition, thus effecting a big saving in petrol, especially in public-service vehicles.

Captain J. H. F. McEwen (Lord of the Treasury), who had been asked to reply, said: Local authorities have, at the Parliamentary Secretary's request, reviewed all the one-way and similar traffic arrangements involving detours which are not justified on traffic or safety grounds, and steps will be taken as soon as possible to suspend such arrangements for the time being. If Earl Winterton has any particular cases in mind in which he thinks that changes should be made, the Parliamentary Secretary will be glad to make special inquiries.

Earl Winterton: Is Captain McEwen aware that there has been a scandalous—almost criminal—waste of petrol as a result of the inability of the local police authorities to appreciate that we are at war, and will he take the opportunity

afforded by the fact that these authorities are about to be superseded by larger areas of seeing that this scandalous waste of petrol does not continue? Can I have an answer?

Captain McEwen: The answer which I have already given gives Earl Winterton an undertaking that the matter is going to be dealt with.

Earl Winterton: In view of the very unsatisfactory nature of the answer, I beg to give notice that I will raise the matter on the Adjournment.

Police Visit to Hammersmith Club

Mr. W. Thorne (Plaistow—Lab.) on February 23 asked the Home Secretary whether he could give any information in connection with the police raid made on a Hammersmith club; how many names were taken; and whether any of them were women and men of military age.

Mr. O. Peake (Under Secretary of State for Home Affairs): I presume Mr. Peake is referring to the Old Oak Club & Institute, which was entered by police officers under search warrant on February 13, there being reason to suspect illegal sales of intoxicating liquor. The action to be taken is at present under consideration. The number of persons on the premises was 219, which included 48 men and 21 women within the age limits for service with the Forces, but the police are satisfied that all of them were engaged on essential work, and were not evading military service.

Mr. Thorne: Does it not seem rather strange that this number of men and women in this club were of military age and doing practically no work of any importance?

Mr. Peake: Most of the men in this club, I am informed, are employed on the Great Western Railway, and most of the women on munition undertakings in the district.

Mr. Thorne said that was ordinary work. It was not work outside their ordinary employment.

WESTERN AUSTRALIAN RAILWAYS RESULTS.—The report of the Deputy Commissioner of Railways, Western Australia, for the quarter ended September 30, 1942, shows the following financial results:—

	Three months ended September 30		
	1942	1941	1940
Earnings	£ 1,013,600	£ 981,800	£ 860,100
Working expenses	788,297	737,286	695,443
Net revenue	225,303	244,514	164,657
Interest	257,700	258,000	255,400
Loss	32,397	13,486	90,743

There was a consistent and substantial increase in earnings over the three periods concerned, but working expenses for the current year have increased to a greater degree. Coaching traffic, particularly passenger traffic, was responsible for the major portion of the increase in earnings, and was £38,970 greater than in the September quarter of 1941. Livestock earnings also showed an increase, but goods earnings declined by £26,250 as compared with 1941; the reduced quantity of wheat transported was a contributing factor to this decrease, although a large increase in general goods traffic helped to alleviate the position. Of the increased working expenses, war-damage insurance, payroll tax, and superannuation payments formed a large proportion. Basic-wage increases represented £11,500, and increases in the price of coal, £8,000. On the other hand, maintenance expenditure was reduced; but there will be a deferred liability to be met in this respect on the return to normal conditions.

Trans-Canada Air Lines in 1942

Throughout 1942, the third full year of the war, Trans-Canada Air Lines has continued to improve its organisation and facilities. Over a route 4,857 miles long, T.C.A. aircraft now fly 22,790 miles a day, or more than eight and a quarter million miles a year. The transcontinental air line had been in operation only a few months when Canada entered the war, so that it has been an instrument of war almost since its beginning.

During 1942 the mail load amounted to 2,308,812 lb. (compared with 1,389,614 in 1941); air express rose from 173,192 lb. to 362,837 lb.; and the number of passengers carried was 106,236, an increase of 21,082.

In December, 318,455 lb. of mail were carried, which was more than double the quantity of the corresponding month in 1941. Express was almost trebled, rising from 14,434 lb. to 43,095 lb. Passengers increased from 6,079 to 8,724, an increase of 2,645.

The service was extended to Newfoundland on May 1 last. The route is from Moncton (N.B.) to Sydney (N.S.) and thence across to Gander and St. John's. The service has proved so necessary that the passenger load factor on this section is the highest on the system and reservations are made weeks in advance. A second daily flight was provided from November 1. To facilitate operation according to T.C.A. standards, the company installed radio and land line communication. The development of business in the Maritimes (there are now three round trips every day between Halifax and Montreal), made it desirable to establish divisional headquarters and a

despatch centre at Moncton, and a reservations centre at Halifax. A new despatch centre was also opened at Winnipeg.

During the past year, a heavy burden of war work has been placed on the engineering and maintenance department, chiefly in the shops at Winnipeg. The engine substitution programme has been advanced. When it is completed, early this year, all aircraft will be equipped with Twin Row Wasp engines instead of Hornets, giving them greater power and efficiency, standardising the equipment in line with Government policy, and simplifying maintenance. In addition to this work, and the routine maintenance of the T.C.A. fleet of 24 planes, the Winnipeg shops have been obliged to fabricate an increasing number of articles, by reason of the difficulty of obtaining delivery of replacement parts and materials.

Thousands of instruments and accessories have been overhauled by Trans-Canada Air Lines for the Royal Air Force, the Royal Canadian Air Force, the British Overseas Airways Corporation, and the Commonwealth Air Training Plan; engines have been overhauled and propellers re-conditioned; tools have been manufactured; annealing and other work has been done for aircraft manufacturers in heavy war industry; and the T.C.A. has assisted in important experiments for the National Research Council. The extra work has brought an increase in T.C.A. shop forces of approximately 40 per cent. T.C.A. crews are participating in flights across the Atlantic, and the company's ground crews overhaul and maintain the transoceanic transports from Canada.

Staff and Labour Matters

Railway Wages

After discussions between the A.S.L.E. & F. and the Minister of Labour & National Service, delegates of the society re-assembled in London on Saturday, February 20, 1943, to consider the circumstances arising from a decision of the executive committee that the society could not operate the strike resolution, which had been taken at a previous conference, in view of the reply which they had received from the Minister of Labour that, as the wages claim of the society had been referred to the Railway Staff National Tribunal for decision, which both the A.S.L.E. & F. and the railways had agreed to accept as final and binding, a strike would be illegal.

After the meeting on February 20, Mr. Allen, the General Secretary of the A.S.L.E. & F., made the following statement:—

"The delegate conference has discussed the position arising from the statement of the Minister of Labour and the apparent difference of opinion that exists between the Minister and ourselves as to the legality of the course we asked him to take. The position has been considered in great detail and in the interests of the country generally the delegates have decided not to pursue the matter further at this stage.

"The purport of the decision of the railway tribunal will be accepted under protest and the executive committee has been instructed to make a new wage application, the details of which will be formulated by the executive as soon as possible. This will undoubtedly take into account all the past circumstances and the further possibilities.

"The subject matter of our right to contest the decision of the tribunal is also to be further examined by the executive committee with the parties concerned in the light of the provisions

of the National Arbitration Order and the decisions that have been reached to date by the operation of the railway conciliation machinery."

We understand the three railway trade unions, the National Union of Railwaymen, the Associated Society of Locomotive Engineers & Firemen, and the Railway Clerks' Association, have reached agreement on the presentation of a new wages claim for all grades and that a claim on behalf of workshop staff has already been submitted to the national council by the trade unions catering for this section of staff.

Railway Unions

Mr. Benstead, General Secretary of the National Union of Railwaymen, writing in the *Railway Review*, says that important developments have taken place in connection with the closer working arrangements between the National Union of Railwaymen, the Associated Society of Locomotive Engineers & Firemen, and the Railway Clerks' Association, and that the following recommendations of the sub-committee which was appointed to consider the question have been unanimously adopted by the executive committees of the three unions:—

(a) As the first essential, all future major wage claims should be the subject of joint consultation between the three unions prior to submission to the railway companies.

(b) That machinery should be devised which will have for its object the co-ordination of the policies of the three unions in respect of matters which are of common interest to railwaymen.

(c) That in order to ensure smooth and friendly working between the three unions there shall be an instruction that attacks upon each organisation shall be discountenanced by all responsible officers and members of each union.

Notes and News

Agreed Charges.—Thirty more applications for the approval of agreed charges under the provisions of Section 37 of the Road & Rail Traffic Act have been lodged with the Railway Rates Tribunal. Notices of objection must be filed with the Registrar at Wellington House, 125-130, Strand, London, on or before March 16.

Forth Bridge Railway Company.—Net revenue for the year 1942 was £121,933 (same). After deduction of interest on the 4 per cent. debenture stock the balance available for dividend on the ordinary stock was £93,000 (same) which is again absorbed by the payment of 4 per cent. on that stock, leaving no balance due to the L.N.E.R.

Road Expenditure in Salvador.—Expenditure on road construction and improvements in Salvador during the financial year ended June 30, 1942, amounted to \$669,952, of which \$554,941 was for construction and \$115,011 for maintenance. The road budget for the year was \$727,264, and the fact that the whole of this was not expended is an indication of the increasing difficulty in war conditions of securing materials and equipment.

Government Bus Commission in Peru.—An official transportation commission was established by the Peruvian Government on November 13 last to operate those motorbus services in Lima which cannot be continued by their original owners, and to organise similar services to meet public requirements. Whenever owners are unable for financial reasons to continue operations, or for any other cause reduce the services specified in their Government contracts by 25 per cent. or more, the Transportation Commission is authorised to intervene.

Canadian National Railways.—Gross earnings during December last were \$36,959,543, an increase of \$8,948,252 over December, 1941, and operating expenses were \$28,570,180, an advance of \$6,819,340, leaving net earnings \$2,128,913 higher at \$8,389,363. Aggregate gross earnings for 1942 were \$375,654,543, an increase of \$71,277,765 as compared with 1941, and operating expenses for the year were \$51,230,238 higher at \$288,998,675. The net earnings of \$86,655,869 were \$20,047,528 higher than those of 1941. The gross earnings during January, 1943, were \$29,278,000, an increase of \$3,311,000 over January, 1942, and operating expenses were \$3,995,398 higher at \$24,805,286, leaving net earnings \$684,398 lower at \$4,472,714.

London Bus for Pruning Trees.—An old London bus, one of those taken over from the Lewis Omnibus Co. Ltd. when the London Passenger Transport Board was formed in 1933, is to be used as a tree-cutting vehicle this spring. It is mounted on an S.T. chassis. The roof and top seats have been removed so that the upper deck is open and the tree-loppers can deal with overhanging branches. One such vehicle has been in use for many years. The newcomer, by taking a share in the work, will save time and petrol. London Transport tree-cutting buses are manned by a driver, and an inspector who has experience in pruning. On most London Transport routes the trees which annually cause trouble are well known, and therefore easy to deal with. Many services, however, especially those in country districts, are

now operating along less familiar roads, and watchful eyes must be kept on Nature if damaged bus-roofs are to be avoided.

Baldwins Limited.—The directors of Baldwins Limited recommend a dividend for 1942 of 10 per cent. on the ordinary stock (same as previous year), payable on April 3. The profit for the year, after providing for taxation, was £330,939, against £316,645 for 1941.

Ferrotale Società Italiana Materiali Siderurgici e Ferroviari.—This company, one of the foremost manufacturers of railway rails and rolling stock in Italy, which has a share capital of 10,200,000 lire, recently absorbed the engineering works of Metalferro Società Anonima, of Casale Monferrato (Piedmont).

Mersey Railway Company.—The directors have resolved to pay the full dividend of 3 per cent. on the perpetual preference stock, less income tax at 10s. in the £ for the year ended December 31, 1942; and to recommend payment of a dividend on the consolidated ordinary stock of 2½ per cent., less income tax at 10s. in the £, for the year ended December 31, 1942. The dividend on the ordinary stock for 1941 was 2 per cent.

New Mexican Air Line.—A new air transport service was inaugurated in Mexico last November by a subsidiary of the Pan-American Airways. This service works between Guadalajara and Uruapan, with a stop at Zamora, and offers passenger, express freight, and mail facilities. Guadalajara and Uruapan are linked by rail, although on a circuitous route, and the air line has resulted in a very substantial saving of time for direct communications between the two towns.

Finnish State Railways.—The first of four new locomotives ordered for the Finnish State Railways has been delivered recently and placed in service on the Helsinki-Tampere main line. It is somewhat smaller than locomotives of the so-called "Ukko Pekka" type which are the largest used in Finland; the heating surface of the boiler is only 1,840 sq. ft. (171 sq. metres) as compared with 2,099 sq. ft. (195 sq. metres) for the latter type. The driving wheels, however, are slightly larger, 6 ft. 4 in. (1.93 metres) in dia. instead of 6 ft. 2½ in. (1.9 metres); the locomotives are intended for hauling trains at speeds up to 62.1 m.p.h. (100 km.p.h.).

English Electric Co. Ltd.—Sir George H. Nelson, Chairman & Managing Director, presiding at the 24th ordinary general meeting of this company on February 25, said that during the year the company had acquired a controlling interest in D. Napier & Son Ltd. The directors were satisfied that this association would provide greater opportunities for the wide engineering and manufacturing research, knowledge, and experience of both companies to be applied to the advancement of their activities and to the benefit of the country generally. Holders of over 90 per cent. of the ordinary shares of the Napier company having accepted the offer to exchange their holdings for ordinary stock of the English Electric Co. Ltd., the necessary steps authorised by the Companies Act to acquire the remaining shares would be taken. The English Electric Co. Ltd. had had well-organised staff and works committees operating for many years, and a good deal of its excellent team work arose from their activities. These committees continued to function in a splendid manner and would, he was sure, maintain the understanding

between the management and workers of all grades resulting in considerable benefits to the country. The social welfare of the staff and workpeople continued to receive the sympathetic support of the directors.

A New Guide to Raw Materials.—The Ministry of Supply has issued, through H.M. Stationery Office, what is called the "Raw Materials Guide." It is hoped that the production of this handbook will be of assistance to business men, traders, and others who in the past may have experienced some difficulty in finding out exactly what

British and Irish Railway Stocks and Shares

Stocks	Highest 1942	Lowest 1942	Prices	
			March 5, 1943	Rise/Fall
G.W.R.				
Cons. Ord.	58	39	95½	+ ½
5% Con. Pref.	115½	105½	118	—
5% Red. Pref. (1950) ..	109½	103½	108	—
5% Rt. Charge	133½	123½	135½	—
5% Cons. Guar.	130½	121½	134	+ ½
4% Deb.	117	105	117	—
4½% Deb.	118	108	116½	—
4½% Deb.	125	113	122½	+ 1
5% Deb.	137	126	135	—
½ Deb.	77	70	75	—
L.M.S.R.				
Ord.	28½	16½	30½	+ ½
4% Pref. (1923)	63½	50½	62	+ 1
4% Pref.	76½	67½	77	+ 1
5% Red. Pref. (1955) ..	103½	94½	104½	—
4% Guar.	104½	97½	104	—
4% Deb.	108½	101½	108	—
5% Red. Deb. (1952) ..	111	107½	110½	—
L.N.E.R.				
5% Pref. Ord.	9½	2½	9½	+ ½
Def. Ord.	5	1½	5	—
5% First Pref.	62	49½	61	+ ½
4% Second Pref.	32½	18½	33	+ ½
5% Red. Pref. (1955) ..	95½	79	94½	—
4% First Guar.	98	88	99	—
4% Second Guar.	90	78	90	—
3% Deb.	85	76	85	—
4% Deb.	106½	100½	107	—
5% Red. Deb. (1947) ..	106	103	104½	—
½ Sinking Fund Red. Deb.	106	102½	106½	—
SOUTHERN				
Pref. Ord.	77	61½	75	—
Def. Ord.	23½	14½	22½	+ ½
5% Pref.	112½	104	114½	—
5% Red. Pref. (1964) ..	110½	105½	111½	+ 1
5% Guar. Pref.	131	121½	133½	—
5% Red. Guar. Pref. (1957) ..	115½	109½	114½	—
4% Deb.	116	104½	116	—
5% Deb.	134	125½	135	—
4% Red. Deb. (1962-67) ..	110½	106	110½	—
4% Red. Deb. (1970-80) ..	111	106½	110½	—
FORTH BRIDGE				
4% Deb.	109½	108	108	—
4% Guar.	105½	100	104½	—
L.P.T.B.				
4½% "A"	122½	111	123½	—
5% "A"	131½	122	129	— ½
5% Guar. (1967-72) ..	95½	97½	103	— 1
5% "B"	121	111½	120½	— 1
"C"	56½	38	54½	— 3
MERSEY				
Ord.	27½	20½	28½	—
3% Perp. Pref.	61½	56½	60½	—
4% Perp. Deb.	10½	99½	104	—
3% Perp. Deb.	80½	76	79	—
IRELAND				
BELFAST & C.D.				
Ord.	9	4	9	—
G. NORTHERN				
Ord.	29½	12½	18	+ ½
G. SOUTHERN				
Ord.	25	10	10	— 2
Pref.	29	12½	12	— 2
Guar.	53	35½	30	— 2½
Deb.	71½	55½	55½	— 4½

§ ex-dividend

the law is relating to particular raw materials, as so many statutory rules & orders have been issued. The guide tells what the raw materials are, and what they do, and gives particulars of their control and of the statutory rules & orders which have been issued about them. It is proposed to issue monthly addenda of any changes in controls or in procedure. The guide deals with nearly 1,000 different raw materials, and is issued by H.M. Stationery Office, York House, Kingsway, W.C.2; it is obtainable also through any bookseller, price 1s. net.

L.C.C. Chief Officer of Supplies.

The new L.C.C. Chief Officer of Supplies is to be Mr. E. J. P. King, Chief Assistant in the Social Welfare Department. He is 51, and his job involves business amounting to £5,000,000 a year. His salary will be £2,000, rising to £2,500.

Canadian Pacific Railway.—Gross earnings for January, 1943, amounted to \$18,928,000, an increase of \$268,000 in comparison with January, 1942. In the working expenses of \$16,687,000, however, there was an advance of \$1,211,000, so that the net earnings of \$2,241,000 were \$943,000 lower.

N.U.R. Aid for Merchant Navy Comforts.—As the result of a series of collections organised by Mr. H. F. Pinhorn, Secretary of the National Union of Railwaymen, No. 2 Branch, Rugby, the sum of £15 16s. has been realised, and has been received as a donation to the Merchant Navy Comforts Service.

Road Accidents in January, 1943.—The return issued by the Minister of War Transport of the number of persons reported to have died, or to have been injured, as a result of road accidents in Great Britain during the month of January last shows 589 deaths (compared with 681 in January, 1942), 2,601 seriously injured (compared with 3,144 in January, 1942), and 7,802 slightly injured (compared with 9,626 in January, 1942).

Grain Transport on Argentine Railways.—According to the returns recently issued by the Rural Economy & Statistical Section of the Argentine Ministry of Agriculture, the railways of that country carried, in 1941, 56.1 per cent. more grain than during 1940. The following table shows the relative importance in this traffic of the various cereal and linseed crops transported:—

	1941 Tons	1940 Tons
Wheat	5,521,270	2,304,886
Linseed	973,751	471,552
Oats	225,714	336,848
Maize	1,559,867	1,561,571
Barley	228,995	543,451
Rye	23,752	249,243
Birdseed	5,018	2,650
Total	8,538,367	5,470,201

Road Transport Association Plan.

The Road Transport Organisation Joint Conference has prepared plans for the merger into one federation of all the owner organisations in the British road-transport industry. This plan, drawn up by a special sub-committee of the conference, is being circulated to existing organisations throughout the country for consideration. It recommends that the several bodies which now represent the various sections of the industry should be amalgamated in three completely independent and autonomous associations, namely, the Road Haulage Association, to consist of owners carrying goods by road; the Traders' Road Trans-

port Association, of ancillary users of goods vehicles; and the Passenger Vehicle Operators' Association, which would include private hire services. It is proposed that these three associations should combine to form a National Road Transport Federation. There would be a central headquarters in London and each association would have its own full-time executive officer and staff. Each of the new associations would be organised in areas corresponding roughly with the established traffic areas.

Shareholdings in Channel Islands Airways.

It was officially announced on March 2 that the Great Western Railway and the Southern Railway have purchased additional shareholdings in Channel Islands Airways Limited, the parent company controlling Jersey Airways Limited and Guernsey Airways Limited. We refer to this in an editorial note, page 258.

Future of Air Transport.

At an ordinary meeting of the Royal Society of Arts on March 17, an address on "The Future of Air Transport" will be given by Mr. W. P. Hildred, Director-General of Civil Aviation. The chair will be taken by Captain the Rt. Hon. H. H. Balfour, M.C., M.P., Parliamentary Under-Secretary of State, and Vice-President of the Air Council.

Spanish Railway Loan.

According to a Reuter's message from Madrid the Spanish Government is to issue 3½ per cent. 50-year Treasury bonds in exchange for the bonds and shares of the broad-gauge railway companies whose concessions were rescinded and lines taken over by the Government on February 1, 1941. For the purposes of the exchange the bonds will be calculated at their nominal value and the railway bonds will be taken at the values assigned to them in a tabulation accompanying the Decree. It is estimated that the bonds and shares to be exchanged amount to about 5,000 million pesetas (£125,000,000) but this figure is subject to the values attributed to these securities in the tabulation. The law of January 24, 1941, nationalising the railways, provided for compensation based on the computed earning power of each rail-

way. This compensation, which was to be paid in the form of an annuity, has not been fixed yet, and it is not clear how this will be affected by the new Decree. The Nationalisation Law of January 24, 1941, was described in THE RAILWAY GAZETTE of March 28, 1941, at page 360.

Contracts and Tenders

The South Indian Railway has recently placed a contract, to the inspection of Messrs. Wolfe Barry, Robert White & Partners, with the Consolidated Brake & Engineering Co. Ltd., for 8 Standage flexible couplings for rotary exhausters.

The Egyptian State Railways have recently placed the following contracts:—

Elliott-Lucas Limited: Tools.
Skefko Ball Bearing Co. Ltd.: Ball bearings.
Siemens Electric Lamps & Supplies Limited: Train lighting lamps.
Babcock & Wilcox Limited: C.C.A. centre sections, bearers, and tie plates.
British Thomson-Houston Co. Ltd.: Spiral springs.
Gwynnes Pumps Limited: Grease lubricators.
Worthington-Simpson Limited: Spare rotor.
Metropolitan-Vickers Electrical Export Co Ltd.: Driving springs.
Ruston & Hornsby Limited: Cylinder heads, etc.
Greenwood & Batley Limited: Tools.
McKechnie Bros. Ltd.: Brass bars.
Thos. Hinshelwood & Co. Ltd.: Pale green No. 3 "M" paint in paste.
National Gas & Oil Engine Co. Ltd.: Piston rings.
Clyde Crane & Engineering Company: Bevel wheels.
Marconi's Wireless Telegraph Co. Ltd.: Valves and wireless equipment.
Hulburd Patents Limited: Copper joints.
Stewarts and Lloyds Limited: Boiler tubes.
Brown Bayley's Steel Works Limited: Steel bars and fibrous staybolt-steel bars.
V. & R. Blakemore: Ratchet and tongs.
Holophane Limited: Outer glass globe.
P. & W. MacLellan Limited: Bars, etc.
Non-Ferrous Metals Control: Zinc ingots.
Worthington-Simpson Limited: Pumps.
Samuel Osborn & Co. Ltd.: Rasps.
Peter Stubs Limited: Stubs precision files and saws.
John Rabone & Sons, Ltd.: Measuring bands and tapes.



Mr. Crasemann, Public Relations & Advertising Officer, Southern Railway, presenting Guard A. J. Goddard with a portrait of himself in guard's uniform on his recent retirement after over 53 years' service with the company. Guard Goddard, some details of whose career were given in our February 19 issue, posed on many occasions for the part of the well-known Southern Railway figure, "Sunny South Sam".

Railway Stock Market

With interest in the City centred on the "Wings for Victory" campaign, there has been little activity in Stock Exchange markets this week, although the undertone generally was firm. Sentiment as to home railway stocks was affected by the inactivity of markets. There was absence of further improvement in demand, but little selling, and movements on balance have been fractional only. It is, however, generally expected that when markets show sustained activity, home railway junior stocks are likely to attract considerable attention in view of the substantial yields. Market sentiment was not influenced to any extent by the annual meetings. The latter have tended to emphasise the vital service being provided by the railways and to increase the prevailing view that there are reasonable prospects of dividends remaining around the 1942 levels. A point often overlooked is that the rental agreement may continue in force until a decision is reached after the war on the question of transport organisation and control, and that dividends around the 1942 rates may, therefore, very well rule for some while after the war. There is, of course, a strong case for any post-war reorganisation of the railways giving due regard to the standard revenues recognised by the 1921 Act. On the basis of the latter, maxi-

mum dividends would work out as follows: 8.1 per cent. on Great Western ordinary and also on L.M.S.R. ordinary; 4 per cent. on L.N.E.R. second preference; and 3.2 per cent. on Southern deferred. These dividend rates are, of course, substantially above those now ruling. It naturally cannot be assumed that dividends at these levels would be forthcoming for stockholders under post-war arrangements. The decision as to the form the latter will take, questions of capital structure, and similar factors are, of course, a matter for future negotiations. Nevertheless, a good case can be made out for the assumption that home railway junior stocks are undervalued, granted that the railways and their stockholders receive equitable treatment in post-war decisions. It is true that on many occasions in the past the reasonable hopes of stockholders have been disappointed, and this affects sentiment even at the present time; but there is no reason to assume that stockholders will not receive fair treatment in the post-war period. From the near-term point of view home railway junior stocks are undervalued on the basis of current yields, and it may very well prove that from the long-term angle the stocks are also undervalued at current levels.

Compared with a week ago, Great Western ordinary has eased from 59½ to

59½ at the time of writing; the prior charges remained firm and in some cases were in short supply in the market. The 5 per cent. preference was unchanged at 118, as were the 4 per cent. debentures at 117, and the guaranteed stock was fractionally higher at 134½. L.M.S.R. ordinary was 30½, compared with 30½ a week ago; the 1923 preference was unchanged on balance at 62, but improvement from 76½ to 77½ was recorded in the senior preference. L.M.S.R. guaranteed at 104 was within half-a-point of the level ruling a week ago; the 4 per cent. debentures remained at 108. Among L.N.E.R. stocks, the preferred and deferred, in which speculative activity developed last week, moved down to 8½ and 4 respectively. The second preference eased from 33 to 32½, and the first preference remained at 61; the first guaranteed was 99, and the second guaranteed 90½. Southern deferred was slightly lower at 22½; a decline from 75 to 74 has been recorded in the preferred at the time of writing. Southern guaranteed was higher at 134½. London Transport "C" at 54½ was unchanged on balance.

A better tendency developed in Argentine railway securities, and numerous fractional gains were recorded earlier in the week; sentiment was aided by the interest arrears payments announced by the B.A. Western, B.A. & Pacific, and Argentine Great Western companies. Nitrate Rails were higher. Canadian Pacific lost part of an earlier gain.

Traffic Table and Stock Prices of Overseas and Foreign Railways

Railways	Miles open	Week Ending	Traffic for Week		No. of Weeks	Aggregate Traffic to date			Shares or Stock	Prices							
			Total this year	Inc. or Dec. compared with 1941/2		Totals		Increase or Decrease		Highest 1942	Lowest 1942	March 5, 1943	Yield % (See Note)				
						1942/3	1941/2										
South & Central America	Antofagasta (Chili) & Bolivia	834	28.2.43	£ 30,190	+	£ 11,450	9	£ 246,340	£ 163,650	+	£ 82,693	Ord. Stk.	14	7½	11	Nil	
	Argentine North Eastern ...	753	27.2.43	10,854	+	2,334	35	432,054	370,956	+	61,098	6 p.c. Deb.	6½	3	6	Nil	
	Bolivar ...	174	Jan., 1943	5,292	+	1,854	4	—	—	—	—	Bonds	20½	10	19½	Nil	
	Brazil ...	—	—	—	—	—	—	—	—	—	—	Ord. Stk.	7½	4	8	Nil	
	Buenos Ayres & Pacific	2,807	27.2.43	118,200	+	11,700	35	3,352,440	2,943,720	+	408,720	Ord. Stk.	12½	7½	10½	Nil	
	Buenos Ayres Great Southern	5,080	27.2.43	220,500	+	33,300	35	5,535,240	5,019,540	+	515,700	Ord. Stk.	12½	6	11	Nil	
	Buenos Ayres Western	1,930	27.2.43	69,480	+	18,540	35	1,871,820	1,772,520	+	99,300	—	9½	4½	7½	Nil	
	Central Argentine ...	3,700	27.2.43	155,262	+	48,090	35	4,611,831	3,699,495	+	912,336	—	8	2½	4½	Nil	
	Do. ...	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
	Cent. Uruguay of M. Video...	972	28.2.43	45,087	+	15,421	35	915,242	828,515	+	86,727	Ord. Stk.	16½	11	13½	Nil	
	Costa Rica ...	262	Jan., 1943	16,637	+	6,836	31	96,550	159,462	+	62,930	1 Mt. Db.	90½	8½	89½	6½	
	Dorada ...	70	Jan., 1943	6,000	+	3,530	4	—	—	—	—	Ord. Stk.	33	4½	6½	Nil	
	Entre Rios ...	808	27.2.43	16,146	+	2,130	35	627,714	542,838	+	84,876	Ord. Sh.	9	9	36/3	Nil	
	Great Western of Brazil	1,030	27.2.43	17,703	+	6,600	8	146,400	104,100	+	42,300	Ord. Sh.	9	9	36/3	Nil	
	International of Cl. Amer. ...	794	Jan., 1943	\$655,799	+	\$5,506	4	\$655,799	\$661,305	+	\$5,506	1st Pref.	1½	5/3	2	Nil	
	Interoceanic of Mexico	—	—	—	—	—	—	—	—	—	—	—	5 p.c. Deb.	11½	5	8½	Nil
	La Guaira & Caracas...	22½	Feb., 1943	8,645	+	2,685	8	18,080	12,393	+	5,693	Ord. Stk.	62	3½	5	Nil	
	Leopoldina ...	1,918	27.2.43	35,769	+	2,177	8	258,846	248,453	+	10,413	Ord. Sh.	1	1	1	Nil	
	Mexican ...	483	21.2.43	ps. 303,930	+	ps. 42,300	7	ps. 2,206,500	ps. 2,448,800	+	ps. 242,300	Ord. Stk.	77	3½	79½	Nil	
	Midland Uruguay ...	319	Dec., 1942	15,294	+	2,038	27	621,158	618,694	+	2,464	Ord. Sh.	53	40	50½	11½	
	Nitrate ...	382	28.2.43	4,957	+	787	7	23,298	19,766	+	3,532	Pr. Li. Stk.	19½	5½	15½	Nil	
	Paraguay Central ...	274	26.2.43	\$4,027,000	+	\$947,000	35	\$134,148,000	\$119,273,000	+	\$14,875,000	Ord. Stk.	59	41	60	3½	
	Peruvian Corporation	1,059	Feb., 1943	83,408	+	14,355	32	666,842	582,024	+	84,818	Ord. Sh.	41½	23½	32½	Nil	
	Salvador ...	100	Dec., 1942	c 112,000	+	c 5,000	26	c 432,000	c 361,172	+	c 70,828	Ord. Stk.	8½	2½	6½	Nil	
	San Paulo ...	153½	21.2.43	35,233	+	1,614	8	263,272	271,059	+	7,787	—	—	—	—	—	
	Talital ...	160	Jan., 1943	3,330	+	195	29	34,416	30,695	+	3,521	—	—	—	—	—	
	United of Havana	1,346	27.2.43	61,127	+	4,004	34	1,626,778	797,989	+	828,789	—	—	—	—	—	
	Uruguay Northern ...	73	Dec., 1942	1,595	+	311	27	59,817	60,757	+	940	—	—	—	—	—	
Canada	Canadian Pacific ...	17,039	28.2.43	1,254,800	+	268,000	8	7,852,200	7,379,600	+	472,600	Ord. Stk.	16½	9½	15½	Nil	
	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
India	Barsi Light ...	202	Jan., 1943	22,440	+	10,612	42	172,958	135,863	+	37,095	—	—	—	—	—	
	Bengal & North Western ...	2,090	Nov., 1942	264,975	+	33,087	8	449,400	561,082	+	111,682	—	—	—	—	—	
	Bengal-Nagpur ...	3,267	30.11.42	312,300	+	34,564	34	6,958,197	6,411,015	+	547,182	Ord. Stk.	102½	88	103½	3½	
	Madras & Southern Mahratta	2,939	10.12.42	219,525	+	8,058	24	5,914,276	4,996,457	+	917,819	—	105½	87	108½	5½	
	Rohilkund & Kumaon ...	571	Nov., 1942	555,750	+	5,072	8	115,950	99,909	+	16,041	—	—	—	—	—	
Various	South Indian ...	2,402	30.11.42	173,226	+	29,138	34	4,339,443	3,547,735	+	791,708	—	103½	88½	102½	4½	
	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
	Egyptian Delta ...	607	20.1.43	14,821	+	2,325	43	373,655	272,885	+	100,770	Prf. Sh.	5½	1½	4	Nil	
	Manila ...	—	—	—	—	—	—	—	—	—	—	B. Deb.	44	35	37½	9½	
	Midland of W. Australia	277	Dec., 1942	30,416	+	11,471	24	190,328	122,537	+	67,791	Inc. Deb.	95	90	93½	6	
Various	Nigerian ...	1,900	31.10.42	60,590	+	13,688	31	1,833,420	1,542,694	+	290,726	—	—	—	—	—	
	South Africa ...	13,291	2.1.43	782,264	+	21,738	41	31,007,293	30,148,738	+	858,555	—	—	—	—	—	
	Victoria ...	4,774	Oct., 1942	1,445,531	+	309,932	—	—	—	—	—	—	—	—	—	—	

Note. Yields are based on the approximate current prices and are within a fraction of ½.

† Receipts are calculated @ 1s. 6d. to the rupee

Argentine traffic is given in sterling calculated @ 16½ pesos to the £

§ ex dividend